



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION 4  
ATLANTA FEDERAL CENTER  
61 FORSYTH STREET  
ATLANTA, GEORGIA 30303-8960

AUG 21 2015

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

J. David Hilton  
Vice President - Production  
Pruet Production Co.  
217 West Capitol Street, Suite 201  
Jackson, Mississippi 39201

Re: Oil Spill Expedited Settlement Agreement  
Oil well at geographic coordinates, 31.8388890° North and 88.1369440° West  
NRC No. 1041295  
Docket No. CWA-04-2015-5007(b)

Dear Mr. Hilton:

This letter is to notify you that the Expedited settlement Agreement (ESA) for the above-referenced matter has been signed by the U.S. Environmental Protection Agency and became effective on the date of filing with the Regional Hearing Clerk, as required by 40 C.F.R. §§ 22.6 and 22.31, as indicated on the Certificate of Service. The ESA is binding on the EPA and Pruet Production Co. A copy of the ESA is enclosed.

Pursuant to the ESA, you shall submit the payment of \$4,000 within thirty (30) days of the receipt of this letter. The payment shall be made in one of the forms stated in Enclosure A. For additional payment information see EPA's payments webpage <http://www2.epa.gov/financial/makepayment>.

If paying by check, you shall send a separate copy of the check and a written statement that the payment is being made in accordance with this CAFO, to the persons at the following addresses:

Ms. Patricia Bullock  
Regional Hearing Clerk  
U.S. EPA - Region 4  
61 Forsyth Street S.W.  
Atlanta, Georgia 30303-8960

John C. Goodwin  
RCRA and OPA Enforcement and Compliance Branch  
U.S. Environmental Protection Agency, Region 4  
61 Forsyth Street S.W.  
Atlanta, Georgia 30303

If you have any questions, please contact John C. Goodwin at (404) 562-8488

Sincerely,

A handwritten signature in black ink, appearing to read 'César A. Zapata', with a long horizontal flourish extending to the right.

César A. Zapata, Chief  
RCRA and OPA Enforcement and Compliance  
Branch  
RCRA Division

cc: USCG

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## ENCLOSURE A

### COLLECTION INFORMATION

**Payments by Mail:**

To make a payment to EPA by mail, send a check to the EPA lockbox listed below.

**Address Format for U.S. Postal Service:**

U.S. Environmental Protection Agency  
P. O. Box 979077  
St. Louis, MO63197-9000

**Address Format for Common Carriers (Fedex, DHL, UPS):**

U.S. Environmental Protection Agency  
Government Lockbox 979077  
1005 Convention Plaza  
SL-MO-C2-GL  
St. Louis, MO 63101

**Wire Transfers:**

Wire transfers to EPA can be done through the Federal Reserve Bank of New York using the following information:

ABA: 021030004

Account Number: 68010727

SWIFT address: FRNYUS33

33 Liberty Street

New York, NY 10045

Field Tag 4200 of the Fedwire message should read: D 68010727 Environmental Protection Agency

**Automated Clearinghouse Payments (also known as REX or remittance express);**

Automated Clearinghouse payments to EPA can be made through the US Treasury using the following information:

US Treasury REX/Cashlink ACH Receiver

ABA: 051036706

Account Number: 310006, Environmental Protection Agency

CTX Format Transaction Code 22 – checking

Physical location of US Treasury Facility:

5700 Rivertech Court

Riverdale, MD 20737

US Treasury Contact Information:

John Schmid: 202-874-7026

Remittance Express (REX): 1-866-234-5681

**On Line Payment:**

There is now an On Line Payment Option, available through the Dept. of Treasury.  
This payment option can be accessed from the information below:

<https://www.pay.gov/paygov/>

Open form and complete required fields.

SPCC Case Number:



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION 4

61 FORSYTH STREET, ATLANTA, GEORGIA 30303

OIL SPILL EXPEDITED SETTLEMENT AGREEMENT

DOCKET NO.: CWA-04-2015-5007(b)

On March 17, 2013, the facility located at the oil field 3,000 feet northwest of the intersection of Turner Road and West Bend Road in Coffeville, Alabama (Geographic Coordinates, 31.8388890° North and 88.1369440° West), owned and/or operated by Pruet Production Co. (Respondent) discharged approximately 1,890 gallons of oil in violation of the Clean Water Act (CWA) § 311(b)(3), 33 U.S.C. § 1321(b)(3), as described on the attached "Findings and Alleged Violations Form" (Form), which is hereby incorporated by reference.

The United States Environmental Protection Agency finds that Respondent's conduct is subject to the discharge prohibition of CWA § 311(b)(3), 33 U.S.C. § 1321(b)(3) in conjunction with 40 C.F.R. § 110.3 Respondent admits being subject to CWA § 311(b)(3), and that the EPA has jurisdiction over Respondent and Respondent's conduct as described in the Form. Respondent neither admits nor denies the allegations in the Form.

The EPA is authorized to enter into this Expedited Settlement Agreement (ESA) under the authority vested in the Administrator of the EPA CWA § 311(b)(6)(B)(i), 33 U.S.C. § 1321(b)(6)(B)(i), as amended by the Oil Pollution Act of 1990, and by 40 C.F.R. § 22.13(b) and § 22.18(b)(2)-(3). The parties enter into this ESA in order to settle the civil violation described in the Form for a penalty of \$4,000. Respondent consents to the assessment of this penalty.

This ESA is also subject to the following terms and conditions: Respondent certifies, subject to civil and criminal penalties for making a false submission to the United States Government, that it has investigated the cause of the spill, it has cleaned up the spill pursuant to federal requirements, and it has taken corrective actions that will prevent future spills. Respondent, also by signature on this ESA, agrees to pay the penalty assessed within thirty (30) calendar days of receiving written notice that the ESA has been executed and effective. Do not enclose payment. The EPA will provide instructions in writing on the procedures for making the penalty payment to the "Oil Spill Liability Trust Fund" with a copy of the Final Order.

After the parties sign this ESA and Respondent pays the civil penalty, the EPA will take no further action against Respondent for the violations described in the Form. However, the EPA does not waive any rights to take any enforcement action for any other violations by Respondent of CWA § 311(b)(3) or any other federal statute or regulations.

Upon signing and returning this ESA to the EPA, Respondent waives any right to judicial review under CWA § 1321(b)(6)(G), 33 U.S.C. § 1321(b)(6)(G), any right to appeal or request a hearing to contest any fact or allegation, and consents to the EPA's approval of the ESA without further notice. Failure by Respondent to pay the penalty assessed by this ESA in full by its due date may subject Respondent to a civil action to collect the assessed penalty plus interest, attorney's fees, costs and an additional quarterly nonpayment penalty pursuant to CWA § 1321(b)(6)(H), 33 U.S.C. § 1321(b)(6)(H). In any such collection action, the validity, amount, and appropriateness of the penalty shall not be subject to review.

This ESA is binding on the parties signing below. Each person signing this ESA certifies that he or she has the authority to sign for the party who he or she represents and to bind that party to its terms. The ESA is effective upon the EPA's filing of the ESA with the Regional Hearing Clerk. If Respondent does not sign and return this ESA as presented within thirty (30) calendar days of the date of its receipt, the proposed ESA will be withdrawn without prejudice to the EPA's ability to file any other enforcement action for the noncompliance identified in the Form.

APPROVED BY RESPONDENT:

Name (print): J. David Hilton  
Title (print): Vice President - Production  
Signature: [Signature]

APPROVED BY THE EPA:

[Signature] Date 8/20/15  
César A. Zapata  
Chief, Enforcement and Compliance Branch  
Resource Conservation and Restoration Division

FINAL ORDER

IT IS SO ORDERED:  
[Signature] Date August 21, 2015  
Tanya Floyd  
Regional Judicial Officer

RECEIVED  
EPA REGION IV  
AUG 21 PM 2:20  
CLERK

Findings and Alleged Violations Form  
Expedited Oil Spill Agreement

1. Pruet Production Co. (Respondent) is a corporation with a place of business located at 217 West Capitol Street Suite 201, Jackson, Mississippi. Respondent is a person within the meaning of Section 311(a)(7) of the Clean Water Act (CWA), 33 U.S.C. § 1321(a)(7).
2. Respondent is the owner or operator of an onshore facility within the meaning of Section 311(a)(10) of the CWA, 33 U.S.C. § 1321(a)(10), located in an oil field 3,000 feet northwest of the intersection of Turner Road and West Bend Road in Coffeeville, Alabama (Geographic Coordinates, 31.838889° North and 88.136944° West) (the "facility").
3. Section 311(b)(3) of the CWA, 33 U.S.C. § 1321(b)(3), prohibits the discharge of oil into or upon the navigable waters of the United States or adjoining shorelines in such quantities that have been determined may be harmful to the public health or welfare or environment of the United States.
4. For purposes of Section 311(b)(3) and (b)(4) of the CWA, 33 U.S.C. § 1321(b)(3) and (b)(4), discharges of oil into or upon the navigable waters of the United States in such quantities that the United States Environmental Protection Agency has determined may be harmful to the public health, welfare or environment of the United States are defined in 40 C.F.R. § 110.3 to include discharges of oil that violate applicable water quality standards, or cause a film or sheen upon or discoloration of the surface of the water or adjoining shorelines, or cause a sludge or emulsion to be deposited beneath the surface of the water or upon the adjoining shorelines.
5. On or about March 17, 2013, Respondent discharged approximately 1,890 of gallons of oil, as defined in Section 311(a)(1) of the CWA, 33 U.S.C. § 1321(a)(1), and 40 C.F.R. § 110.1, from its facility into or upon an unnamed perennial tributary of Blue Hole Slough and/or adjoining shorelines. The EPA obtained this information from the Respondent's response to the EPA's CWA Section 308 Information Request letter.
6. The unnamed perennial tributary of Blue Hole Slough flows into Blue Hole Slough, which flows into the Tombigbee River. The Tombigbee River is a "navigable water of the United States," as defined in Section 502(7) of the CWA, 33 U.S.C. § 1362(7), and 40 C.F.R. § 110.1, and is subject to the jurisdiction of Section 311 of the CWA.
7. Respondent's March 17, 2013 discharge of oil from its facility caused a film or sheen upon, or discoloration of the surface of the unnamed perennial tributary of Blue Hole Slough and/or adjoining shorelines, which eventually flows to the Tombigbee River, and therefore, was in a quantity that has been determined may be harmful under 40 C.F.R. § 110.3, which implements Section 311(b)(3) and (b)(4) of the CWA, 33 U.S.C. § 1321(b)(3) and (b)(4).
8. Respondent's March 17, 2013 discharge of oil from its facility into or upon the unnamed perennial tributary of Blue Hole Slough, and/or adjoining shorelines, which eventually flows to the Tombigbee River, was in a quantity that has been determined may be harmful under 40 C.F.R. § 110.3. Respondent therefore violated Section 311(b)(3) of the CWA, 33 U.S.C. § 1321(b)(3). Pursuant to Section 311(b)(6)(B)(i) of the CWA, 33 U.S.C. § 1321(b)(6)(B)(i), and 40 C.F.R. § 19.4, the Respondent is liable for civil penalties of up to \$16,000 per violation, up to a maximum of \$37,500.

**CERTIFICATE OF SERVICE**

I hereby certify that I have this day filed the original and a true and correct copy of the foregoing Consent Agreement and the attached Final Order (CA/FO), in the matter of Pruet Production Co., Docket Number: CWA-04-2015-5007(b), and have served the parties listed below in the manner indicated:

Teresa Mann  
Assistant Regional Counsel  
Office of RCRA, OPA and UST Legal Support  
U.S. Environmental Protection Agency, Region 4  
61 Forsyth Street, S.W.  
Atlanta, Georgia 30303-8960

(Via EPA's electronic mail)

Quantindra Smith  
Enforcement and Compliance Branch  
Resource Conservation and Recovery Division  
U.S. Environmental Protection Agency, Region 4  
61 Forsyth Street, S.W.  
Atlanta, Georgia 30303-8960

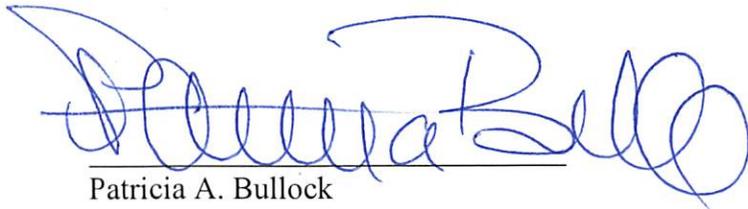
(Via EPA's electronic mail)

J. David Hilton  
Vice President - Production  
217 West Capitol Street, Suite 201  
Jackson, Mississippi 39201

(Via Certified Mail - Return Receipt  
Requested)

Date:

8-21-15



Patricia A. Bullock  
Regional Hearing Clerk  
U.S. Environmental Protection Agency, Region 4  
61 Forsyth Street, S.W.  
Atlanta, Georgia 30303-8960  
(404) 562-9511