



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 8

1595 WYNKOOP STREET

DENVER, CO 80202-1129

Phone 800-227-8917

http://www.epa.gov/region08

2011 AUG 29 AM 10:53

FILED  
EPA REGION VIII  
RECORDING CLERK

DOCKET NO.: CAA-08-2011-0025

IN THE MATTER OF:	)	
	)	
MARATHON OIL CO.	)	
	)	<b>ORDER GRANTING FILING</b>
	)	<b>OF AN ELECTRONIC</b>
	)	<b>CONSENT AGREEMENT</b>
	)	<b>FINAL ORDER</b>
Respondent	)	
	)	

Pursuant to 40 C.F.R. §22.13(b) and 22.18, of EPA's Consolidated Rules of Practice, the Consent Agreement resolving this matter is hereby approved and incorporated by reference into this Final Order. The Respondent is hereby **ORDERED** to comply with all of the terms of the Consent Agreement, effective immediately upon receipt by Respondent of this Consent Agreement and Final Order.

This court will accept the electronic filing of the Consent Agreement in this matter at this time, however the Parties are to file the original Consent Agreement within seven days of issuance of this Order.

The Parties are hereby **ORDERED** to comply with all of the terms of this **Order**, effective immediately upon receipt by Parties of this **Order**.

SO ORDERED THIS 29<sup>th</sup> Day of August, 2011

Elyana R. Sutin  
Regional Judicial Officer

UNITED STATES  
ENVIRONMENTAL PROTECTION AGENCY  
REGION 8

Docket No. CAA-08-2011-0025

2011 AUG 29 AM 10: 53

FILED  
EPA REGION VIII  
HOWARD CLERK

In the Matter of: )  
 )  
Marathon Oil Company ) **ADMINISTRATIVE COMPLAINT**  
 ) **AND CONSENT AGREEMENT**  
Respondent. )

**AUTHORITY**

The United States Environmental Protection Agency, Region 8 (EPA or Complainant) is issuing this Administrative Complaint and Consent Agreement (Agreement) to Marathon Oil Company (Respondent) pursuant to Sections 113(a)(3) and 113(d)(1) of the Clean Air Act (CAA or the Act), 42 U.S.C. § 7413(a)(3) and § 7413(d)(1). The Administrator of the EPA has the authority to enter into this Agreement and that authority has been properly delegated to the undersigned EPA official.

**A. STATUTORY AND REGULATORY BACKGROUND**

1. On June 19, 1978, EPA promulgated the Prevention of Significant Deterioration (PSD) regulations pursuant to Subtitle I, Part C of the Act. 43 Fed. Reg. 26403. EPA revised the PSD regulations on several occasions including August 7, 1980 (45 Fed. Reg. 52676) and December 31, 2002 (67 Fed. Reg. 80186). These regulations are codified at 40 C.F.R. Part 52.
2. Terms used in this Agreement that are defined in the Act or in regulations promulgated pursuant to the Act shall have the meanings assigned to them therein, unless otherwise provided in this Agreement.
3. The emission sources to which this Agreement relates are in "Indian country" as defined at 18 U.S.C. §1151. The locations of the emission sources are identified in Appendix A.
4. Section 165(a) of the Act, 42 U.S.C. § 7475(a), and the PSD regulations implementing Part C at 40 C.F.R. § 52.21(a)(2)(iii), prohibit a major stationary source from commencing construction or major modification of a major stationary source without a permit which states that the major stationary source or modification would meet the requirements of 40 C.F.R. § 52.21(j) through (r).
5. 40 C.F.R. § 52.21(b)(5) defines a "stationary source" as, any building, structure, facility or installation which emits or may emit a regulated PSD pollutant.
6. 40 C.F.R. § 52.21(b)(1)(i)(b) defines a "major stationary source" as, among other things, any stationary source that emits, or has the potential to emit, 250 tons per year or more of any regulated PSD pollutant.
7. On July 1, 2011, EPA promulgated final rules titled "Review of New Sources and Modifications in Indian Country." (Tribal Minor NSR Rule) 76 Fed. Reg. 38748-808 (July 1, 2011) (to be codified at 40 C.F.R. Parts 49 and 51). The final rules are effective on August 30, 2011. 76 Fed. Reg. at 38748. Once

effective, the rules allow, among other things, for a synthetic minor source permit to be issued to an otherwise major source that has taken a restriction, enforceable as a legal and practical matter, so that the source's potential to emit is less than the amounts for major sources.

8. This proceeding is governed by the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties, and the Revocation, Termination or Suspension of Permits (Consolidated Rules) set forth at 40 C.F.R. Part 22. The U.S. Department of Justice has concurred with EPA Region 8's request for authorization to commence an administrative enforcement action in this matter.
9. This Agreement is voluntarily entered into by the EPA and the Respondent for the purpose of simultaneously commencing and concluding this matter, as authorized by 40 C.F.R. § 22.13(b), and executed pursuant to 40 C.F.R. § 22.18(b)(2) and (3) of the Consolidated Rules.

## **B. INTRODUCTORY PROVISIONS**

1. This Agreement addresses a unique situation in that the Respondent is unable to obtain an effective synthetic minor source permit from EPA prior to commencing construction because, pursuant to the new Tribal Minor NSR Rule, the authority to issue such permits begins August 30, 2011.
2. This Agreement is entered into by EPA and Respondent to settle alleged violations and allow Respondents to comply as expeditiously as possible with the requirements of the CAA, specifically PSD, of certain Bakken Formation Oil and Gas Emission Sources (emission sources) owned and/or operated by Respondent, located within the exterior boundaries of the Fort Berthold Indian Reservation in North Dakota as described in Appendix A.
3. Respondent admits the jurisdictional allegations in this Agreement but does not admit the specific factual allegations or legal conclusions made by the Complainant herein.
4. Respondent waives its rights to a hearing before any tribunal and to contest any issue of law or fact set forth in this Agreement.
5. Complainant asserts that settlement of this matter is in the public interest. Complainant and Respondent agree that resolving this matter without further litigation and without adjudication of any issue of fact or law is appropriate.
6. This Agreement, which includes Appendices A and B, upon incorporation into a Final Order, applies to and is binding upon EPA and upon Respondent, and Respondent's officers, directors, employees, agents, successors and assigns.
7. This Agreement contains all terms of the settlement agreed to by the EPA and Respondent.

### **C. ALLEGED VIOLATIONS**

1. Respondent is an Ohio corporation and therefore a "person" as defined in section 302(e) of the CAA, 42 U.S.C. § 7602(e).
2. Respondent owns and/or operates the emission sources described in Appendix A.
3. Complainant alleges that Respondent violated the CAA by constructing each of the major stationary sources identified in Appendix A, Table A-1 without first obtaining a PSD permit pursuant to 40 C.F.R. § 52.21.

### **D. REQUIREMENTS UNDER THIS AGREEMENT**

The EPA and Respondent, by their undersigned representatives, hereby consent and agree as follows:

#### **1. Permitting**

- a. Within one year of the effective date of this Agreement, for all Existing Emission Sources listed in Appendix A, Table A-1, Respondent shall submit to EPA a complete synthetic minor source permit application under EPA's Tribal Minor NSR Rule. If Respondent determines that an emission source was incorrectly included in Appendix A, Table A-1, it may notify EPA of that fact by October 14, 2011. In this circumstance, Paragraph F.13 below shall apply.
- b. By October 1, 2011, Respondent shall submit to EPA a complete synthetic minor source permit application for New Emission Sources listed in Appendix A, Table A-2 that will commence construction during the period starting August 31, 2011, and ending December 31, 2011.
- c. By November 1, 2011, Respondent shall submit to EPA a complete synthetic minor source permit application for New Emission Sources listed in Appendix A, Table A-3 that will commence construction during the period starting January 1, 2012, and ending March 31, 2012.
- d. By January 1, 2012, Respondent shall submit to EPA a complete synthetic minor source permit application for New Emission Sources listed in Appendix A, Table A-4 that will commence construction during the period starting April 1, 2012, and ending June 30, 2012.
- e. Any emission sources for which construction will commence after June 30, 2012, are not subject to this Agreement and Respondent must obtain an effective synthetic minor source permit from EPA or comply with the provisions of 40 C.F.R. § 52.21 prior to commencing construction.
- f. Inclusion of an emission source listed in Appendix A, Table A-2, A-3 or A-4 does not preclude Respondent from commencing construction of that emission source after the date specified in the relevant Paragraph D.1.b,c, and d above. However, all such emission sources must commence construction prior to June 30, 2012.
- g. If those emission sources listed in Appendix A, Tables A-2, A-3, and/or A-4 do not commence construction by June 30, 2012, then they are therefore not subject to Section D of this Agreement.

## 2. Control Requirements

- a. For all Existing Emission Sources listed in Appendix A, Table A-1, the Respondent shall comply with the requirements of Appendix B by no later than December 1, 2011.
- b. For all New Emission Sources listed in Appendix A, Tables A-2, A-3, and A-4 the Respondent shall comply with the requirements of Appendix B upon start-up of production. Emission sources that receive an effective synthetic minor source permit before commencing construction are not subject to the requirements of this Agreement.

## 3. Notification

Respondent shall notify the EPA on the last business day of each month of all of the emission sources subject to this Agreement that commence construction in the previous month. Respondent shall also notify the EPA whether those emission sources are meeting the control requirements as required by Appendix B and whether they have received an effective synthetic minor source permit. This notice shall also include a list of emissions sources that are removing a 98% control device and using a 90% control device as outlined in Appendix B.

Unless otherwise specified herein, whenever Respondent's notification, submissions, or communication are required by this Agreement, they shall be made electronically or mailed to the following:

Cynthia J. Reynolds, Director  
U.S. EPA Region 8 (8ENF-AT)  
Air & Toxics Technical Enforcement Program  
1595 Wynkoop St.  
Denver, CO 80208-1129  
[reynolds.cynthia@epa.gov](mailto:reynolds.cynthia@epa.gov)

## E. CIVIL PENALTY

1. Pursuant to an analysis of the facts and circumstances of this case with the statutory factors described in section 113(d)(1)(B) of the CAA, 43 U.S.C. §7413(d)(1)(B), EPA has determined that an appropriate civil penalty to settle this action is the amount of \$3,000 per emission source listed in Appendix A for a total of \$294,000.00.
2. Respondent consents to the issuance of a Final Order and consents for the purpose of settlement to the payment of the civil penalty in the manner described below in this paragraph:
  - a. Payment is due within 90 calendar days from the date of the Final Order, to be issued by the EPA's Regional Judicial Officer, that adopts this Administrative Complaint and Consent Agreement. If the due date falls on a weekend or legal federal holiday, then the due date

becomes the next business day. The date the payment is made is considered to be the date processed by the Bank described below. Payments received by 11:00 AM are processed on the next business day.

- b. The payment shall be made by remitting a cashier's or certified check, including the name and docket number of this case, for the calculated amount, payable to "Treasurer, United States of America," to:

**CHECK PAYMENT:**

US Environmental Protection Agency  
Fines and Penalties  
Cincinnati Finance Center  
PO Box 979077  
St. Louis, MO 63197-9000

**OVERNIGHT MAIL:**

U.S. Bank  
1005 Convention Plaza  
Mail Station SL-MO-C2GL  
St. Louis, MO 63101  
Contact: Natalie Pearson  
314-418-4087

**WIRE TRANSFER:**

Wire Transfers should be directed to the Federal Reserve Bank of New York  
Federal Reserve Bank of New York  
ABA = 021030004  
Account = 68010727  
SWIFT address = FRNYUS33  
33 Liberty Street  
New York, NY 10045

Field Tag 4200 of the Fedwire message should read AD 6801727 Environmental Protection Agency

**ACH (also known as REX or remittance express):**

Automated Clearinghouse (ACH) for receiving US currency  
PNC Bank  
808 17<sup>th</sup> Street, NW  
Washington, DC 20074  
Contact B Jesse White 301-887-6548  
ABA = 051036706, Transaction Code 22- checking  
Environmental Protection Agency, Account 310006, CTX Format

**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:

[www.pay.gov](http://www.pay.gov)

Enter sfo 1.1 in the search field. Open form and complete required fields.

A copy of the check, or wire transfer, shall be sent simultaneously to:

Alexis North (8ENF-AT)  
U.S. EPA Region 8  
Technical Enforcement Program  
1595 Wynkoop St.  
Denver, CO 80202-1129

and

Tina Artemis  
Regional Hearing Clerk (8RC)  
U.S. EPA Region 8  
1595 Wynkoop St.  
Denver, CO 80202-1129

- c. Payment of the penalty in this manner does not relieve Respondent of its obligation to comply with the requirements of the CAA and its regulations.

**F. GENERAL PROVISIONS**

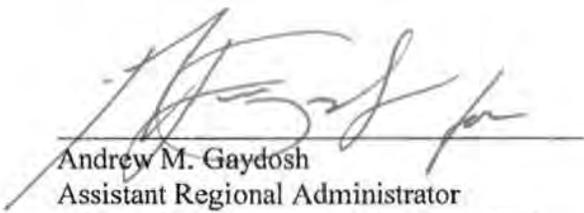
1. The emissions controls required in Appendix B under this Agreement shall be considered “federally enforceable” and, as applicable, “legally and practicably enforceable” for purposes of calculating the potential to emit for the emission sources covered under this Agreement.
2. Failure by Respondent to timely apply for, and ultimately obtain, the synthetic minor permit for any emission source identified in this Agreement or to comply with the requirements of Section D and Appendix B shall render any release or satisfaction of liability afforded under this Agreement null and void as to that source.
3. Nothing in this Agreement shall be construed as a waiver by the EPA or any other federal entity of its authority to seek costs or any appropriate penalty associated with any collection action instituted as a result of Respondent’s failure to perform pursuant to the terms of this Agreement.
4. Once the Respondent has received a synthetic minor source permit from EPA for the emission source identified in Appendix A, and that permit has become effective, the terms of that permit supersede this Agreement.
5. For all Existing Emission Sources listed in Appendix A, Table A-1, Respondent’s submission of a complete synthetic minor source permit application will constitute compliance with the relevant CAA provisions during the period of this Agreement.

6. For all New Emission Sources listed in Appendix A, Tables A-2, A-3, and A-4, compliance with the relevant CAA provisions requires that Respondent; a) obtains an effective synthetic minor source permit; b) is subject to an EPA approved Federal Implementation Plan which allows for a permit by rule; or c) complies with a new EPA applicable CAA regulation that removes them from PSD applicability
7. Notwithstanding the terms of this Agreement, the Respondent must meet any other applicable requirements of the Act or its implementing regulations.
8. Respondent agrees that for any emission source operated without the controls required by this Agreement, except for instances of malfunction, Respondent is in violation of this Agreement. Malfunction shall be defined as any sudden, infrequent, and not reasonably preventable failure of air pollution control equipment, process equipment, or a process to operate in a normal or usual manner, caused by circumstances entirely beyond the control of the owner or operator, but shall not include failures that are caused in whole or in part by poor maintenance or careless operation.
9. Respondent agrees that any emission source whose actual emissions have exceeded 250 tons per year is not covered by this Agreement, including any emission source listed by the Respondent in Appendix A.
10. Each undersigned representative of the EPA and Respondents (Parties) to this Agreement certifies that he or she is fully authorized by the Party represented to bind the Party to the terms and conditions of this Agreement and to execute and legally bind that Party to this Agreement.
11. The Parties agree to submit this Agreement to the Regional Judicial Officer, with a request that it be incorporated into a Final Order.
12. The terms, conditions, and compliance requirements of this Agreement may not be modified or amended except upon the written agreement of both parties, and approval of a Regional Judicial Officer.
13. If the Respondent, pursuant to Paragraph D.1.a, above, wishes to amend the list of emission sources in Appendix A, Table A-1, it shall submit those suggested changes to EPA for approval. If EPA agrees with the suggested changes, the Parties will submit an amended Agreement to the Regional Judicial Officer for incorporation into a revised Final Order.
14. The effective date of this Agreement is the date that the Final Order is signed by the Regional Judicial Officer.
15. This Agreement, upon incorporation into a Final Order by the Regional Judicial Officer and full satisfaction by the Parties, shall be a complete, full and final settlement of the violations alleged in this Agreement.
16. Each Party shall bear its own costs and attorneys fees in connection with all issues associated with this Agreement.

UNITED STATES ENVIRONMENTAL  
PROTECTION AGENCY REGION 8,  
Complainant.

Date: \_\_\_\_\_

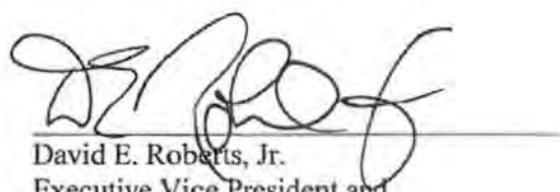
August 26, 2011

  
\_\_\_\_\_  
Andrew M. Gaydosh  
Assistant Regional Administrator  
Office of Enforcement, Compliance and  
Environmental Justice

Marathon Oil Company,  
Respondent.

Date: \_\_\_\_\_

8/26/2011

  
\_\_\_\_\_  
David E. Roberts, Jr.  
Executive Vice President and  
Chief Operating Officer

APPENDIX A

EMISSION SOURCE INVENTORY

Table A-1 Existing Emission Sources (commenced construction by August 30, 2011)

Source Name	Latitude and Longitude	Section, Township, Range	Well site completion date (Note 2)	Casinghead gas controlled or captured (Note 3)	Casinghead gas control device	Tanks/Tank Battery control device	Tanks/Tank Battery control device install date
(Note 1)							
AH 34-23H	47.87253, -102.542592	SWSW 23-151-93	7/9/2009	Captured	Flare	Flare	7/9/2009
ARVID BANGEN USA 31-18H	47.817664, -102.499408	NWNE 18-150-92	8/14/2010	Controlled	Flare	Flare	8/14/2010
BANGEN 41-27H	47.875458, -102.562375	NENE 22-151-93	3/6/2009	Captured	Flare	Flare	3/6/2009
BETTY SHOBE USA 41-8H; JASPER L USA 34-5H	47.916428, -102.601283	NENE 8-151-93	8/30/2010	Captured	Flare	Flare	8/30/2010
BOTTLESON 34-22H	47.878364, -102.563233	SWSW 22-151-93	9/18/2008	Captured	Flare	Flare	9/18/2008
BRODAHL 31-25H	47.875812, -102.519628	NWNE 25-151-93	9/10/2009	Captured	Flare	Flare	9/10/2009
CHARLES SHOBE USA 44-16H	47.875211, -102.623178	NENE 30-151-93	12/26/2008	Captured	Flare	Flare	12/26/2008
CROW FLIES HIGH USA 31-4H	47.933897, -102.713683	NWNE 44-151-94	5/17/2011	Controlled	Flare	Flare	5/17/2011
DANKS USA 11-3H	47.933239, -102.703625	LOT 4 3-151-94	8/6/2011	Controlled	Flare	Flare	8/6/2011
DEBBIE BAKLENKO USA 12-26H; DEBBIE BAKLENKO USA 13-26H	47.957235, -102.684775	SWNW 26-152-94	6/14/2011	Controlled	Flare	Flare	6/14/2011
ELK USA 11-17H	47.817733, -102.487808	NWNW 17-150-92	5/23/2011	Controlled	Flare	Flare	5/23/2011
EVERETT FISHER USA 41-6H	47.846783, -102.625939	LOT 1 6-150-93	6/26/2010	Controlled	Flare	Flare	6/26/2010
FISHER USA 21-5H	47.846783, -102.614661	LOT 3 5-150-93	10/23/2009	Controlled	Flare	Flare	10/23/2009
GALEN FOX USA 24-7H	47.819722, -102.506864	SESW 7-150-92	10/23/2010	Controlled	Flare	Flare	10/23/2010
GLADYS USA 21-2H	47.846725, -102.550322	LOT 3 2-150-93	12/23/2009	Captured	Flare	Flare	12/23/2009
GOODALL USA 11-29H	47.964419, -102.620567	SWSW 20-152-93	1/19/2011	Captured	Flare	Flare	1/19/2011
HENRY CHARGING USA 21-3H	47.846800, -102.571689	LOT 3 3-150-93	3/28/2010	Controlled	Flare	Flare	3/28/2010
HOWARD USA 11-1H	47.84625, -102.531228	LOT 4 1-150-93	6/17/2010	Controlled	Flare	Flare	6/17/2010
JACK PENNINGTON 21-28H	47.874525, -102.592108	NENW 28-151-93	8/7/2008	Captured	Flare	Flare	8/7/2008
JAY SANDSTROM USA 34-31H	47.849114, -102.628186	SWSW 34-151-93	2/23/2009	Captured	Flare	Flare	2/23/2009
JERRY PENNINGTON USA 34-21H	47.873669, -102.585514	SWSW 21-151-93	6/11/2009	Captured	Flare	Flare	6/11/2009
JOHNSON 44-32H; FISHER 41-5H	47.848514, -102.603747	SESE 32-151-93	—	Controlled	Flare	Flare	—
JONES USA 14-14H; JONES USA 13-14H	47.894436, -102.684581	SWSW 14-151-94	3/17/2011	Controlled	Flare	Flare	3/17/2011
LUTHER USA 11-16H; LUTHER USA 31-16H	47.823539, -102.593511	NESE 9-150-93	1/31/2011	Controlled	Flare	Flare	1/31/2011
MARK SANDSTROM 14-32H; MARK SANDSTROM 14-321TH	47.848703, -102.610375	SWSW 32-151-93	10/20/2008	Captured	Flare	Flare	10/20/2008
MYLO WOLDING 14-11; MYLO WOLDING USA 14-11H	47.906239, -102.554117	SWSW 11-151-93	9/18/2010	Captured	Flare	Flare	9/18/2010
MYRAMIDON 1-2H; HUNTS ALONG USA 12-1H	47.932239, -102.665538	LOT 1 2-151-94	7/9/2008	Captured	Flare	Flare	7/9/2008
ONE FEATHER USA 11-17H; TORGERSON USA 14-8H	47.820473, -102.232209	SWSW 8-150-90	—	Captured	Flare	Flare	—
PENNINGTON 41-4H	47.933392, -102.583997	LOT 1 4-151-93	6/1/2009	Controlled	Flare	Flare	6/1/2009
QUALE USA 31-20H; QUALE USA 32-20H	47.974164, -102.609658	NWNE 20-152-93	2/14/2011	Controlled	Flare	Flare	2/14/2011
RANDI USA 41-17H; ELLA USA 11-16H	47.9062, -102.598714	SWSW 9-151-93	—	Captured	Flare	Flare	—
RAYMOND USA 41-4H	47.846794, -102.582683	LOT 1 4-150-93	12/12/2009	Captured	Flare	Flare	12/12/2009
RED FEATHER USA 21-17H; RED FEATHER USA 31-17H	47.826669, -102.612086	SENE 8-150-93	—	Controlled	Flare	Flare	—
RICHARD BANGEN 21-26H	47.875806, -102.550031	NENW 26-151-93	6/24/2009	Captured	Flare	Flare	6/24/2009
RAJIK 31-26H	47.875954, -102.541418	NWNE 26-151-93	6/10/2011	Captured	Flare	Flare	6/10/2011
SHIRLEY PENNINGTON USA 14-22H; JACOB MADISON 11-27H	47.87725, -102.577528	SWSW 22-151-93	8/14/2011	Captured	Flare	Flare	8/14/2011
SHOBE 34-20H	47.878336, -102.615467	SESW 20-151-93	11/17/2008	Captured	Flare	Flare	11/17/2008
SKOGSTAD 41-28H	47.875725, -102.582331	NENE 38-151-93	8/20/2011	Captured	Flare	Flare	8/20/2011
TAT USA 13-23H	47.881064, -102.687231	NESE 22-151-94	2/5/2011	Controlled	Flare	Flare	2/5/2011
TAT USA 34-22H; TAT USA 14-22H	47.87647, -102.696881	SESW 22-151-94	3/5/2011	Controlled	Flare	Flare	3/5/2011
URAN 31-2H	47.933336, -102.541885	LOT 2 3-151-93	6/7/2010	Captured	Flare	Flare	6/7/2010
WADHOLM 41-36H	47.875611, -102.498103	NENE 30-151-92	8/14/2009	Captured	Flare	Flare	8/14/2009
WAKELUM 31-3H	47.933383, -102.568947	LOT 3 3-151-93	5/14/2010	Captured	Flare	Flare	5/14/2010
WALDOCK USA 21-16H	47.818065, -102.208213	NENW 16-150-90	—	Controlled	Flare	Flare	—
WENIGER USA 44-34H	47.952336, -102.562564	SESE 34-152-93	9/9/2010	Captured	Flare	Flare	9/9/2010
WINDY BOY USA 12-35H; WINDY BOY USA 13-35H	47.944623, -102.684131	SWNW 35-152-94	8/10/2011	Controlled	Flare	Flare	8/10/2011
WOLDING 14-24H	47.873394, -102.530367	SWSW 24-151-93	2/9/2010	Captured	Flare	Flare	2/9/2010

Note 1: Source names with multiple well names are characterized by the first well completed on the well pad.

Note 2: The date given is the first oil date for the source.

Note 3: Captured gas is solid. Controlled gas is sent to a control device, such as a Flare.

Table A-2 New Emission Sources (commencing construction between August 31, 2011 and December 31, 2011)

Source Identification	Section, Township, Range	Expected Commence Construction Date
Aisembrey 21-25H; Aisembrey 21-25TFH	NENW 25-151-93	9/1/2011
Bears Ghost USA 31-4H; Bears Ghost USA 31-4TFH	NWNE 4-147-94	9/1/2011
Black Hawk USA 31-16H	9-150-90	10/1/2011
Boy Chief USA 11-15H; Boy Chief USA 11-15TFH	NWNW 15-147-93	9/1/2011
Charging USA 41-35H	36-147-92	12/1/2011
Driver USA 34-9H; Driver USA 44-9H	9-150-90	11/1/2011
Eagle USA 41-5H; Eagle USA 41-5TFH	5-147-94	11/1/2011
Everett Fisher USA 31-6H; Jessica USA 21-6TFH	6-150-95	9/1/2011
Felix USA 8-1H; Felix USA 8-2H	17-146-92	11/1/2011
Goodbird USA 34-7H; Goodbird USA 44-7H	SESE 7-150-90	9/1/2011
HENRY CHARGING USA 41-3H; HENRY CHARGING USA 41-3TFH	LOT 3-150-93	11/1/2011
Hopkins USA 15-1MBH; Lincoln USA 16-1TFH	23-147-94	12/1/2011
Huber USA 42-36H	26-147-92	11/1/2011
Isaac USA 31-28H	21-147-92	11/1/2011
Jahke USA 24-31H; Jahke USA 24-31TFH	31-151-93	10/1/2011
Joanne Quale USA 21-30H; Joanne Quale USA 31-30H	30-152-93	11/1/2011
Lucky One 21-2H; Lucky One 21-2TFH	2-151-93	9/1/2011
MHA USA 11-4H; MHA USA 11-4TFH	4-150-93	11/1/2011
Mink USA 11-15H; Many Woman USA 14-10H	15-150-90	11/1/2011
Mink USA 31-15H	15-150-90	12/1/2011
One Feather USA 31-17H; Sitting Owl USA 34-8H	17-150-90	11/1/2011
Oren USA 31-6TFH; Rhoda 24-31H	SESW 31-151-92	9/1/2011
Ostlund 11-14H; Ostlund 11-14TFH	NWNW 14-151-93	10/1/2011
Pennington USA 31-4H; Pennington 31-4TFH	LOT 4-151-93	10/1/2011
Rudolph 34-10H; Rudolph USA 31-15H*; Rudolph USA 31-15TFH*	3-151-93	9/1/2011
TAT USA 12-23H; TAT USA 13-23H SU TF	SENE 22-151-94	11/1/2011
Thomas Miller USA 11-28H; Sec 28 33-150-90 (Thomas Miller Infill)	18 or 19-150-93	10/1/2011
Unnamed 1	SESW 34-150-90	9/1/2011
Norverk USA 14-34H; Vorwerk USA 24-34H	3-151-93	10/1/2011
Wakelum 41-3H*	8-151-93	11/1/2011
Walton USA 43-8H; Walton USA 43-8TFH	151-93 27/94	9/1/2011
Weninger Cox 44-34TFH; Weninger Cox 34-34TFH	13 or 24-152-93	11/1/2011
Wolding 31-13H; Wolding 31-13TFH		

\*subject to jurisdictional review and confirmation.

Table A-3 New Emission Sources (commencing construction between January 1, 2012 and March 31, 2012)

Source Identification	Section, Township, Range	Expected Commence Construction Date
Baker USA 11-18H; Baker USA 11-18TFH	18-150-92	1/1/2012
CUMMINGS USA 41-6H; CUMMINGS USA 41-6TFH	6-150-92	1/1/2012
Don Olson 31-5H*	3-150-90	3/1/2012
Driver USA 24-9H	16-150-90	3/1/2012
Marathon Oil Company 1	23-150-90	3/1/2012
Marathon Oil Company 2	27 or 34-147-92	1/1/2012
Tara Jo USA 34-12H; Tara Jo USA 44-12TFH	30 or 31-147-91	1/1/2012
William USA 31-2H; William USA 31-2TFH	12-150-93	2/1/2012
	2-150-93	1/1/2012

\*subject to jurisdictional review and confirmation.

Table A-4 New Emission Sources (commencing construction between April 1, 2012 and June 30, 2012)

Source Identification	Section, Township, Range	Expected Commence Construction Date
Dunks Infill	10-151-94	4/1/2012
Elk USA 31-17H; Elk USA 31-17TFH	17 or 20-150-92	6/1/2012
Fox USA 14-1H; Fox USA 14-1TFH	NESW 14-147-93	6/1/2012
Marathon Oil Company 3	1 or 12-146-92	4/1/2012
Marathon Oil Company 4	2 or 11-146-92	4/1/2012
Marathon Oil Company 5	4 or 5-151-93	4/1/2012
Unnamed 2	1 or 2-149-90	6/1/2012
Unnamed 3	25 or 26-149-90	6/1/2012
Unnamed 4	35 or 36-149-90	6/1/2012

\*subject to jurisdictional review and confirmation.

## APPENDIX B

### EMISSION CONTROL REQUIREMENTS

#### A. Applicability

These requirements apply to existing and new emission sources associated with oil production from the Bakken Formation on the Fort Berthold Indian Reservation in North Dakota and target the control of casinghead gas emissions (also known as treater gas) and emissions from oil and produced water storage tanks (tanks).

#### B. Control Requirements

All casinghead gas and tank emissions must be controlled or captured upon start of production. If gas gathering infrastructure is in place, casinghead gas shall be routed to a gas gathering pipeline as soon as practicable. When a pipeline is not available, casinghead gas is required to be routed to a control system or device in the Control System List below. The Control System List also applies to emissions from oil and produced water storage tanks. Capture or control devices shall be operated at all times when emissions may be vented to them.

The owner/operator shall maintain and operate all air pollution control equipment, and all equipment employed to contain and collect vapors and transport them to the emission control system or device, in accordance with the manufacturer's recommendations and in a manner consistent with good air pollution control practice for minimizing emissions.

#### Control System List

1. A ground pit flare (including, but not limited to pit flares, shop built flares or other similar oilfield type flares) or other 90% or greater DRE device. If a ground pit flare is utilized, a 90% DRE to be assumed. This is considered the minimum level of control for tank and treater gas emissions at all times.
2. A vapor recovery unit or oil stabilizer that is designed and operated to reduce the mass content of VOC and total hazardous air pollutant (HAP) emissions in the vapors vented to the device by at least 95% by weight.
3. An enclosed combustion device appropriately sized for the site's operating parameters and for which the manufacturer represents will achieve a destruction efficiency of at least 95% of the VOCs with respect to the volumetric flow and BTU content of the site's waste gas stream. An enclosed combustion device is operated including, but not limited to the following:
  - This device should be operated with no visible emissions except for periods not to exceed a total of 5 minutes during any 2 consecutive hours; Method 22 of 40 CFR Appendix A shall be used to determine the compliance with this visible emission provision.

- Owner/operator shall install an appropriate, reliable temperature sensor/transmitter that indicates continuous ignition of the pilot flame on the control device. The sensor/transmitter will be connected to the site's Supervisory Control and Data Acquisition (SCADA) System. The SCADA system will record temperature readings at a specified frequency and will be programmed to trigger an alarm if temperatures outside of a pre-programmed range are detected. For the purpose of this paragraph, "continuous" monitoring equipment shall measure and record values at least once every hour.
4. A utility flare (using an open flame without enclosure) that is designed and operated to reduce the mass content of VOC and total HAP emissions in the vapors vented to the device by at least 98% by weight. A utility flare is any flare that is designed and operated in accordance with the requirements of 40 C.F.R § 60.18. Requirements of 40 C.F.R § 60.18 include, but are not limited to the following:
- Flare shall be designed and operated with no visible emissions except for periods not to exceed a total of 5 minutes during any 2 consecutive hours; Method 22 of 40 CFR Appendix A shall be used to determine the compliance with this visible emission provision;
  - Flare shall be operated with a flame present at all times;
  - An owner/operator has the choice of adhering to either the heat content specifications in paragraph 40 C.F.R. § 60.18(c)(3)(ii) and the maximum tip velocity specifications in paragraph (c)(4) or adhering to the requirements in 40 C.F.R. § 60.18(c)(3)(i);
  - Flares used to comply with this section shall be steam-assisted, air-assisted or nonassisted;
  - Owners/operators of flares shall monitor the control devices to ensure that they are operated and maintained in conformance with their designs;
  - The presence of a flare pilot flame shall be monitored using a thermocouple or any other equivalent device to detect the presence of a flame. Continuous checks by an operator to verify the existence of a visible flame or to verify proper operation of the igniter may be used in lieu of a physical device. For the purpose of this paragraph, "continuous" monitoring equipment shall measure and record values at least once every hour.
  - For safety and air pollution control purposes: each flare must be equipped and operated with an automatic ignitor or a continuous burning pilot, which must be maintained in good working order. This is required even if the flare is used for emergency purposes only.
5. Control devices other than those listed above may be utilized upon approval from the EPA.

### **C. Recordkeeping Requirements**

1. Owner/operator shall maintain control device temperature logs for three years.

## CERTIFICATE OF SERVICE

The undersigned certifies that the original of the attached **ORDER GRANTING ELECTRONIC FILING OF CONSENT AGREEMENT AND FINAL ORDER** in the matter of **MARATHON OIL CO.; DOCKET NO.: CAA-08-2011-0025**, was filed with the Regional Hearing Clerk on August 29, 2011.

Further, the undersigned certifies that a true and correct copy of the document was delivered to Jim Eppers, Enforcement Attorney, U. S. EPA – Region 8, 1595 Wynkoop Street, Denver, CO 80202-1129. True and correct copies of the aforementioned documents were placed in the United States mail on August 29, 2011, to:

Rebecca K. Skiba  
Marathon Oil Company  
5555 San Felipe  
Houston, Texas 77056

And emailed to:

Elizabeth Whitsel  
U. S. Environmental Protection Agency  
Cincinnati Finance Center  
26 W. Martin Luther King Drive (MS-0002)  
Cincinnati, Ohio 45268

August 26, 2011

  
Tina Artemis  
Paralegal/Regional Hearing Clerk