



EXPEDITED OIL SPILL SETTLEMENT AGREEMENT
UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 7, 901 N. 5th ST., KANSAS CITY, KANSAS 66101

DOCKET NO. CWA-07-2011-0088

On April 4, 2011

At: SE1/4,S28,T14S,R27W, Gove County, Kansas
Owned or operated by Pickrell Drilling Company,
(Respondent), discharged 3 barrels of oil (crude) in
violation of regulations promulgated at 40 C.F.R. Part 110
under Section 311(b)(3) of the Clean Water Act as noted
on the attached FINDINGS AND ALLEGED
VIOLATIONS FORM, (Form), which is hereby
incorporated by reference.

This proceeding and the Expedited Settlement are under
the authority vested in the Administrator of EPA by
Section 311(b) (6) (B) (i) of the Act, 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). The parties enter into this
Expedited Settlement in order to settle the civil violations
described in the Form for a penalty of \$500.

This settlement is subject to the following terms and
conditions:

Respondent consents to the assessment of the penalty
stated above. Respondent certifies, subject to civil and
criminal penalties for making a false submission to the
United States Government, that the violations have been
corrected and Respondent has sent a certified check in
the amount of \$500, payable to the "Environmental
Protection Agency," via certified mail to:

U.S. Environmental Protection Agency
P.O. Box 979077
St. Louis, MO 63197-9000

and Respondent has noted on the penalty payment
check Docket No. CWA-07-2011-0088 and "OSLTF -
311." The original, signed Settlement Agreement
and copy of the penalty payment check must be sent
via certified mail to:

Mr. Douglas Drouare
U.S. Environmental Protection Agency
Region 7, AWMD/STOP
901 N. 5th Street
Kansas City, KS 66101

This Expedited Settlement resolves Respondent's
liability for Federal civil penalties for the violations of
the oil spill regulations described in the Form.
However, EPA does not waive any rights to take any
enforcement action for any other past, present, or future
violations by Respondent of the OPA/SPCC regulations
or of any other federal statute or regulations. By its first
signature, EPA ratifies the Findings and Alleged
Violations set forth in the Form.

Upon signing and returning this Expedited Settlement
to EPA, Respondent waives the opportunity for a
hearing or appeal pursuant to Section 311 of the Act,
and consents to EPA's approval of the Expedited
Settlement without further notice.

This Expedited Settlement is binding on the parties
signing below, and is effective upon the Regional
Judicial Officer's signature.

APPROVED BY EPA:

[Signature] Date 9-22-2011
Chief, Storage Tank and Oil Pollution Branch (STOP)
Air and Waste Management Division

APPROVED BY RESPONDENT:

Pickrell Drilling Company, Inc.
Name (print): Steve M. Dillard

Title (print): Vice President

Signature [Signature]

Date: September 6, 2011

The estimated cost for correcting the violation(s) is:

\$ 500.00

IT IS SO ORDERED:

[Signature] Date Sept. 30, 2011
Robert L. Patrick
Regional Judicial Officer

ENVIRONMENTAL PROTECTION
AGENCY
REGIONAL HEARING CLERK
11 SEP 30 AM 8:42

FINDINGS AND ALLEGED CIVIL VIOLATIONS

1. Pickrell Drilling Company organized under the laws of Kansas with a place of business located at 100 South Main Street #505, Wichita, Kansas 67202-3738. The Respondent is a person within the meaning of Section 311 (a)(7) of the Act, 33 U.S.C. §1321 (a)(7).
2. Respondent is the owner/operator of an onshore facility (production wellhead) within the meaning of Section 311 (a)(10) of the Act, 33 U.S.C. §1321 (a)(10) of the Act, which is located at SE1/4,S28,T14S,R27W, Gove County, Kansas.
3. Section 311(b)(3) of the Act 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 Act, 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 have been determined may be harmful to the public health or welfare or environment of the United States are defined in 40 C.F.R. § 110.3 to include discharges of oil that cause a film or a sheen upon or discoloration of the surface of the water or adjoining shorelines or a sludge or emulsion to be deposited beneath the surface of the water or upon the adjoining shorelines.
5. On April 4, 2011, Respondent discharged 3 barrels of oil (crude oil) as defined in Section 311 (a)(1) of the Act, 33 U.S.C. §1321(a)(1), and 40 C.F.R. §110.1, from its facility into or upon Indian Creek, a tributary of the Smoky Hill River.
6. The Indian Creek is a navigable water of the United States as defined in Section 502(7) of the Act, 33 U.S.C. §1362(7), and 40 C.F.R. §110.1.
7. Respondent's April 4, 2011 discharge (line rupture) of oil (crude oil) from its facility caused a sheen upon or discoloration of the surface of Indian Creek and the adjoining shoreline and therefore, was in a quantity that has been determined may be harmful under 40 C.F.R. §110.3, which implements Sections 311(b)(3) and (b)(4) of the Act.
8. Respondent's April 4, 2011 discharge (line rupture) of oil (crude oil) from its facility into or upon the Indian Creek and adjoining shorelines in a quantity that has been determined may be harmful under 40 C.F.R. §110.3 violated Section 311(b)(3) of the Act. Pursuant to Section 311(b)(6)(B)(i) of the Act, 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.

IN THE MATTER OF Pickrell Drilling Company, Respondent
Docket No. CWA-07-2011-0088

CERTIFICATE OF SERVICE

I certify that a true and correct copy of the foregoing Expedited Oil Spill Settlement Agreement was sent this day in the following manner to the addressees:

Copy hand delivered to
Attorney for Complainant:

Howard Bunch
Assistant Regional Counsel
Region 7
United States Environmental Protection Agency
901 N. 5th Street
Kansas City, Kansas 66101

Copy by Certified Mail Return Receipt to:

Steve M. Dillard
Vice-President
Pickrell Drilling Company, Inc.
100 South Main Street #505
Wichita, Kansas 67202-3738

Dated: 9/30/11


Kathy Robinson
Hearing Clerk, Region 7