

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 8

IN THE MATTER OF:)
)
White Rock Oil & Gas LLC.)
5810 Tennyson Parkway, Ste. 500)
Plano, TX 75024)
)
Respondent.)
)
)
)
_____)

Docket No. CAA-08-2024-0013

CONSENT AGREEMENT

FILED

Mar 18, 2026

2:50 pm

U.S. EPA REGION 8
HEARING CLERK

Complainant, the authorized representative of the United States Environmental Protection Agency, and Respondent, White Rock Oil & Gas, LLC, (collectively, the Parties), by their undersigned representatives, hereby consent and agree as follows:

I. PRELIMINARY STATEMENT

1. This is an administrative penalty assessment proceeding brought under section 113(d) of the Clean Air Act (CAA or the Act), 42 U.S.C. § 7413(d), and sections 22.13 and 22.18 of the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties and the Revocation/Termination or Suspension of Permits (Consolidated Rules), as codified at 40 C.F.R. part 22.
2. At all times relevant to this this Agreement, White Rock Oil & Gas, LLC (Respondent) owns and/or operates oil and gas facilities located in Montana, specifically the Albin Farms 31X-31, Albin 24X-28, and Albin Farms 34X-32 (collectively, "Albin Facilities").
3. The Parties, having agreed settlement of this action is in the public interest, consent to the entry of this consent agreement (Agreement) without adjudication of any issues of law or fact herein, and Respondent agrees to comply with the terms of this Agreement as provided in section VII below.

II. JURISDICTION

4. This Agreement is entered into under the authority vested in the Administrator of the EPA by section 113(d) of the Act, 42 U.S.C. § 7413(d). The undersigned EPA official has been duly authorized to institute this action.
5. In satisfaction of the notice requirements of section 113(a)(4) of the Act, 42

U.S.C. § 7413(a)(4), on July 26, 2024, EPA issued to Respondent a notice of violation (NOV) and provided a copy of the NOV to the State of Montana, providing notice to both that EPA found Respondent committed the alleged violations described in section V of this Agreement and providing Respondent an opportunity to confer with EPA. On September 16, 2024, the Parties discussed the July 26, 2024, NOV. The Parties exchanged further written communications on October 22, 2024, November 20, 2024, December 16, 2024, January 16, 2025, March 3, 2025, March 5, 2025, May 15, 2025, May 19, 2025, and October 21, 2025. Counsel for the Parties met on December 5, 2024, January 10, 2025, May 14, 2025, and October 17, 2025.

6. The Regional Judicial Officer is authorized to approve this Agreement with a final order. 40 C.F.R. §§ 22.18(b), 22.4(b).
7. The final order approving this Agreement simultaneously commences and concludes this proceeding. 40 C.F.R. § 22.13(b).

III. DEFINITIONS

8. “Business Day” means Monday through Friday, with the exception of federal holidays. In computing any period of time under this Agreement expressed in Business Days, where the last day would fall on a Saturday, Sunday, or federal holiday, the period shall run until 11:59 p.m. Mountain Time of the next Business Day.
9. “Calendar Day” means any of the seven days of the week. In computing any period of time under this Agreement expressed in Calendar Days (as opposed to Business Days), where the last Calendar Day would fall on a Saturday, Sunday, or federal holiday, the period shall not be extended to the next Business Day.
10. “Effective Date” shall have the definition provided in section XII (Effective Date) of this Agreement.
11. “Gas” means a mixture of naturally occurring gases, principally comprised of hydrocarbons such as methane, ethane, and propane, that is produced from an oil and natural gas well and exists in the vapor phase.
12. “VOC” or “VOCs” means volatile organic compounds as defined in 40 C.F.R.

§ 60.2.

IV. GOVERNING LAW

13. As set forth in section 101(b)(1) of the Act, 42 U.S.C. § 7401(b)(1), the purpose of the Act is to protect and enhance the quality of the nation's air, so as to promote the public health and welfare and the productive capacity of its population.
14. Section 108 of the Act, 42 U.S.C. § 7408, directs the EPA to identify those air pollutants which "may reasonably be anticipated to endanger public health or welfare" and to issue air quality criteria for them based on "the latest scientific knowledge" about the effects of the pollutants on public health and the environment. The pollutants identified as such are called "criteria pollutants."
15. Section 109 of the Act, 42 U.S.C. § 7409, requires the EPA to promulgate regulations establishing national ambient air quality standards ("NAAQS") for criteria pollutants. The primary NAAQS must be set at the level "requisite to protect the public health" with an adequate margin of safety, and the secondary NAAQS are intended to protect "the public welfare." Public welfare effects include, but are not limited to, "effects on soils, water, crops, vegetation, . . . animals, wildlife, weather, visibility, and climate, damage to and deterioration of property . . . as well as effects on economic values . . ." 42 U.S.C. § 7602(h).
16. Ground-level ozone is one of six criteria pollutants for which the EPA has promulgated national standards, due to its adverse effects on human health and the environment. Short-term exposures (1 to 3 hours) to ground-level ozone can cause acute health effects observed even at low concentrations, including temporary pulmonary inflammation. Long-term exposure (months to years) may cause permanent damage to lung tissue. Children and adults who are active outdoors are particularly susceptible to the adverse effects of exposure to ozone. *See* 73 Fed. Reg. 16,436 (Mar. 27, 2008).
17. Ozone is not emitted directly from sources of air pollution. Ozone is a photochemical oxidant, formed when certain chemicals in the ambient air

react with oxygen in the presence of sunlight. These chemicals – VOC and nitrogen oxides (NO_x) – are called “ozone precursors.” Sources that emit ozone precursors are regulated to reduce ground-level ozone. *See* 62 Fed. Reg. 38,856 (July 18, 1997), and 80 Fed. Reg. 65292, 65299 (October 26, 2015).

18. Section 110(a)(2)(C) of the Act requires that every state implementation plan for national primary and secondary ambient air quality standards include a program to regulate the construction and modification of stationary sources; this includes a permitting program as required by parts C and D of Title I of the Act. *See* 42 U.S.C. § 7410(a)(2)(C).

A. State of Montana Air Quality Regulations for the Oil & Gas Industry

19. The EPA approved the State of Montana’s Registration of Air Contaminant Sources requirements into Montana’s State Implementation Plan minor source review program. 78 Fed. Reg. 6,9296 (Nov. 19, 2013).
20. Potential sources of air pollution subject to the State of Montana’s regulations may register with the Montana Department of Environmental Quality (MDEQ) instead of submitting an application for a Montana air quality permit. Mont. Admin. R. 17.8.1702.
21. The Montana Administrative Code defines “oil or gas well facility” as a well that produces oil or natural gas. The term includes: (i) equipment associated with the well and used for the purpose of producing, treating, separating, or storing oil, natural gas, or other liquids produced by the well; and (ii) a group of wells under common ownership or control that produce oil or natural gas and that share common equipment used for the purpose of producing, treating, separating, or storing oil, natural gas, or other liquids produced by the wells. Mont. Code Ann. § 75-2-103(14)(a)(i)-(ii) (2023).
22. Montana’s administrative code also states that “oil or gas well facility equipment” includes, but is not limited to, wellhead assemblies, amine units, prime mover engines, phase separators, heater treatment units, dehydrator units, tanks, and connecting tubing, but does not include equipment such as

compressor engines used for transmission of oil or natural gas. Id. at §§ 75-2-103(14)(b)-(c).

23. “Registered facility” means any registration eligible facility that has been registered for operation under the requirements of subchapter 17. Mont. Admin. R. 17.8.1701(3).
24. Volatile organic compounds (VOC) means any compound of carbon, excluding carbon monoxide, carbon dioxide, carbonic acid, metallic carbides or carbonates, and ammonium carbonate, which participates in atmospheric photochemical reactions. This does not include methane and ethane, which are excluded because they have negligible photochemical reactivity. Mont. Admin. R. 17.8.101; 40 C.F. R. §§ 51.100(s).
25. The owner or operator of a registered oil or gas well facility shall install and operate air pollution control equipment and comply with air pollution control practices beginning at the time of registration, in compliance with the following: VOC vapors of 200 Btu/scf or greater from each piece of oil or gas well facility equipment, with a PTE greater than 15 tpy, must be captured and routed to a gas pipeline, routed to a smokeless combustion device equipped with an electronic ignition device or a continuous burning pilot system, meeting the requirements of 40 CFR 60.18, and operating at a 95% or greater control efficiency, or routed to air pollution control equipment with equal or greater control efficiency than a smokeless combustion device. Mont. Admin. R. 17.8.1711(1)(a).

V. FINDINGS OF FACT

26. Respondent is a limited liability company incorporated under the laws of Texas. At all times relevant to this Consent Agreement, Respondent conducted and conducts business in the State of Montana.
27. Respondent is a “person” within the meaning of section 302(e) of the CAA, 42 U.S.C. § 7602(e).
28. At all times relevant to this Agreement, Respondent owned and operated the Albin Facilities.
29. The Albin Facilities are “oil or gas well facilities” as defined by Montana Code

Annotated § 75-2-103(14)(a)(i)-(ii).

30. Oil and water produced from the Albin Facilities are stored in produced oil and produced water storage tanks (Tanks).
31. Pressurized oil at the Albin Facilities is transferred from higher-pressure separators or heater treaters, which add heat to break apart heavy emulsions (Heater Treaters), to lower-pressure atmospheric storage Tanks. Some of the hydrocarbons in the oil, including VOC and hazardous air pollutants, vaporize in a process known as “flashing.” After flashing occurs, the oil continues to emit vapors due to liquid level changes and temperature fluctuations.
32. Vapors from Tanks and Heater Treaters are captured and controlled through a series of pipes or vent lines, often referred to as a closed vent system or CVS, that route vapors to a combustion device.
33. The Tanks and the Heater Treater at the Albin Facilities are “oil or gas well facility equipment” as defined by Mont. Admin. Code 17.8.1711(1)(a).
34. The Albin Facilities meet the criteria in Mont. Admin. R. 17.8.1710(3) and 17.8.1711(1)(a), requiring a lit flare to control VOCs.
35. In October of 2023, EPA’s contractor, Toeroek Associates, Inc. (Toeroek) and ChampionX Emissions Technologies Group (ChampionX) performed aerial monitoring surveys of oil and gas facility operations in Montana. The aerial surveys were conducted using a helicopter operating at approximately 250 feet above ground level and an optical gas imaging (OGI) camera.
36. On October 20, 2023, Toeroek/Champion X recorded hydrocarbon emissions, including VOCs, from an unlit flare at Albin Facilities.
37. On November 16, 2023, after analyzing the information provided by Toeroek/Champion X, EPA contacted the Respondent’s representatives to inform them of the unlit flare at the Albin Facilities which were identified in the aerial surveys on October 20, 2023.

VI. ALLEGED VIOLATIONS OF LAW

38. Based on aerial observations at the Albin facilities, Respondent violated under Montana Administrative Code 17.8.1710(3) to operate all emissions control equipment at a registered oil or gas well facility to provide the maximum air

pollution control for which it was designed. Mont. Admin. Code 17.8.1710(3).

39. Based on aerial observations at the Albin Facilities, Respondent violated requirements under Montana Administrative Code 17.8.1711(1)(a) to operate air pollution control equipment at a registered oil or gas well facility which has a continuous burning pilot system, meets the requirements of 40 C.F.R. § 60.18, and operates at 95% or greater control efficiency. Mont. Admin. Code 17.8.1711(1)(a).

VII. TERMS OF CONSENT AGREEMENT

40. For the purpose of this proceeding, Respondent:
- a. admits the jurisdictional allegations in section II of this Agreement;
 - b. neither admits nor denies the characterization of governing law in section IV, the alleged violations of law in section VI, or the factual allegations stated in section V of this Agreement;
 - c. consents to the assessment of a civil penalty as stated below;
 - d. consents to the conditions specified in section VII of this Consent Agreement;
 - e. acknowledges this Agreement constitutes an enforcement action for purposes of considering Respondent's compliance history in any subsequent enforcement actions;
 - f. waives any and all available rights to judicial or administrative review or other remedies Respondent may have, with respect to any issue of fact or law or any terms and conditions set forth in this Consent Agreement, including any right of judicial review under the Administrative Procedure Act, 5 U.S.C. §§ 701–706;
 - g. waives any rights or defenses that Respondent has or may have for this matter to be resolved in federal court, including but not limited to any right to a jury trial, and waives any right to challenge the unlawfulness of the final order accompanying this consent agreement; and
 - h. waives any rights it may possess at law or in equity to challenge the authority of EPA to bring a civil action in a United States District Court to compel compliance with the Agreement or Order, or both, and to seek

an additional penalty for such noncompliance, and agrees that federal law shall govern in any such civil action.

41. Civil Penalty.
 - a. Section 113(d)(1) of the Act, 42 U.S.C. § 7413(d)(1), authorizes EPA to assess a civil penalty in this matter.
 - b. To determine the amount of the civil penalty, the EPA considered the size of Respondent's business, the economic impact of the penalty on the business, Respondent's full compliance history and good faith efforts to comply, the duration of the violations as established by any credible evidence, payment by the Respondent of penalties previously assessed for the same violations, the economic benefit of noncompliance, the seriousness of the violations, and such other factors as justice may require. 42 U.S.C. § 7413(e)(1).
 - c. The EPA has compromised the civil penalty pursuant to section 113(d)(2)(B) of the Act, 42 U.S.C. § 7413(d)(2)(B).
42. Penalty Payment. Respondent agrees to pay the civil penalty in the amount of \$20,000 (Assessed Penalty) within 30 days after the date of the Final Order ratifying this Agreement is filed with the Regional Hearing Clerk ("Filing Date").
43. Respondent shall pay the Assessed Penalty and any interest, fees, and other charges due using any method, or combination of methods, provided on the EPA website: <https://www.epa.gov/financial/makepayment>. For additional instructions see: <https://www.epa.gov/financial/additional-instructions-making-payments-epa>.
44. When making a payment, a Respondent shall:
 - a. Identify every payment with Respondent's name and the docket number of this Agreement, Docket No. CAA-08-2024-0013; and
 - b. Concurrently with any payment or within 24-hours of any payment, Respondent shall serve proof of such payment to the following persons:
Regional Hearing Clerk
U.S. Environmental Protection Agency, Region 8

ORC-IO, 1595 Wynkoop Street, Denver, CO 80202

R8_Hearing_Clerk@epa.gov

and

Scott Patefield

Air and Toxics Enforcement Branch Manager

U.S. Environmental Protection Agency, Region 8

8ENF-AT, 1595 Wynkoop Street, Denver, CO

R8AirReportEnforcement@epa.gov

and

U.S. Environmental Protection Agency

Cincinnati Finance Center

Via electronic mail to: CINWD_acctsReceivable@epa.gov

45. “Proof of payment” means, as applicable, confirmation of credit card or debit card payment, or confirmation of wire or automated clearinghouse transfer, and any other information required to demonstrate that payment has been made according to EPA requirements, in the amount due, and identified with the appropriate docket number and Respondent’s name.
46. Interest, Charges, and Penalties on Late Payments. Pursuant to 42 U.S.C. § 7413(d)(5), 31 U.S.C. § 3717, 31 C.F.R. § 901.9, and 40 C.F.R. § 13.11, if Respondent fails to timely pay the full amount of the Assessed Penalty per this Agreement, the EPA is authorized to recover, in addition to the amount of the unpaid Assessed Penalty, the following amounts:
- a. Interest. Interest begins to accrue from the Filing Date. If the Assessed Penalty is paid in full within 30 days, interest accrued is waived. If the Assessed Penalty is not paid in full within 30 days, interest will continue to accrue until any unpaid portion of the Assessed Penalty as well as any interest, penalties, and other charges are paid in full. Per 42 U.S.C. § 7524(c)(6), interest will be assessed pursuant to 26 U.S.C. § 6621(a)(2), that is the IRS standard rate, equal to the Federal short-term rate plus 3 percentage points.

- b. Handling Charges. The United States' enforcement expenses including, but not limited to, attorneys' fees and costs of handling collection.
 - c. Late Payment Penalty. A 10% quarterly non-payment penalty.
47. Late Penalty Actions. In addition to the amounts described in the prior Paragraph, If Respondent fails to timely pay any portion of the Assessed Penalty under this Agreement, the EPA may take additional actions. Such actions EPA may take include, but are not limited to the following:
- a. Refer the debt to a credit reporting agency or a collection agency, per 40 C.F.R. §§ 13.13 and 13.14.
 - b. Collect the debt by administrative offset (i.e., the withholding of money payable by the United States government to, or held by the United States government for, a person to satisfy the debt the person owes the United States government), which includes, but is not limited to, referral to the Internal Revenue Service for offset against income tax refunds, per 40 C.F.R. Part 13, Subparts C and H.
 - c. Suspend or revoke Respondent's licenses or other privileges, or suspend or disqualify Respondent from doing business with EPA or engaging in programs EPA sponsors or funds, per 40 C.F.R. § 13.17.
 - d. Request that the Attorney General bring a civil action in the appropriate district court to enforce the Final Order and recover the full remaining balance of the Assessed Penalty, in addition to interest and the amounts described above, pursuant to 42 U.S.C. § 7413(d)(5). In any such action, the validity, amount, and appropriateness of the Assessed Penalty and Final Order shall not be subject to review.
48. Conditions of Settlement. As a condition of settlement, Respondent agrees that it has or will have completed the following actions by the Effective Date:
- a. Shop-Built Flare Replacement. Respondent has eliminated existing shop-built flares at the well production facilities listed in Paragraph 48.c (each, individually, a "Facility", and collectively, the "Facilities") and replaced them with engineered flares designed to reduce the mass content of VOC in natural gas emissions vented to the device by at least 95%.

- b. Certification of Project Completion. Respondent hereby certifies that Respondent has ceased use of all shop-built flares at the Facilities. The dates of shop-built flare replacement for each Facility with an engineered flare are set out in Paragraph 45.c below.
- c. Shop-Built Flare Replacement Sites.

<u>Site Identity</u>	<u>Shop Built Flare Replacement Date</u>
ALBIN FARMS 31X-31	<u>February 27, 2024</u>
ALBIN 24X-28	<u>February 7, 2024</u>
ALBIN FARMS 34X-32	<u>April 12, 2024</u>
<u>STEINBEISSER 44-32H</u>	<u>April 7, 2025</u>
<u>LESUEUR 11X-23</u>	<u>February 5, 2025</u>
<u>BR 14-29H</u>	<u>March 14, 2025</u>
<u>BR 31-5H 27</u>	<u>March 25, 2025</u>
<u>BR 31-31H 37</u>	<u>March 20, 2025</u>

- 49. The provisions of this Agreement shall apply to and be binding upon Respondent, and its officers, directors, employees, agents, trustees, servants, authorized representatives, successors, and assigns. No closing or transfer of ownership or operation of any portion of or interest in the Sites shall relieve Respondent of its obligation to comply with the terms of this Agreement, unless:
 - a. From the Effective Date of this Agreement until its termination pursuant to Section X. Respondent must provide written notice and a copy of this Agreement to any successors in interest prior to any transfer of ownership or control of any portion of or interest in the Sites at least 30 Days prior to closing. Simultaneously with such notice, Respondent shall provide written notice of the transfer, assignment, or delegation to the EPA together with a copy of the Purchase and Sale Agreement (PSA). In the event of any such transfer, assignment, or delegation, Respondent shall not be released from the obligations or liabilities of this Agreement unless

the EPA has provided written approval of the release of these obligations or liabilities;

- b. The transferee agrees in the PSA to undertake the obligations and liabilities of this Agreement and to be bound by the terms thereof;
 - c. The transferee agrees in writing to be substituted for Respondent for all provisions in this Agreement and to be bound by the terms thereof, including implementation of the conditions of settlement set forth in Paragraph 48 Agreement (unless already satisfactorily implemented by Respondent), but excepting paragraph 42 (Penalty Payment);
 - d. Respondent submits information to demonstrate the transferee has both the financial and technical capability to perform the obligations in Paragraph 48 of this Agreement;
 - e. The EPA approves Respondent's request to be relieved of its obligations under this Agreement, which approval shall not be unreasonably withheld, conditioned, or delayed.
50. Upon receipt of a request by Respondent to transfer the obligations of this Agreement, as provided in Paragraph 49 above, the EPA shall have 30 calendar days to object to the request. If the EPA denies the request to transfer the obligations of this Agreement the Parties will follow the Dispute Resolution process set forth in Section VIII of this Agreement. The EPA shall bear the burden of showing that any objection to relieving Respondent of its obligations of this Agreement was not unreasonable.
51. This Agreement shall not be construed to prohibit a contractual allocation—as between Respondent and any purchaser or transferee of the facilities—of the obligations of compliance with this Agreement, provided, however, that such contractual allocation shall not relieve Respondent of its obligations under the Agreement unless and until the provisions of Paragraph 48 have been met, subject to the right of transfer as provided in Paragraph 49.
52. By signing this Agreement, Respondent acknowledges that this Agreement will be available to the public and agrees that this Agreement does not contain any confidential business information or personally identifiable information.

53. The undersigned representative of Respondent certifies they are fully authorized to execute and enter into the terms and conditions of this Agreement and has the legal capacity to bind the party he or she represents to this Agreement.
54. The Parties agree that this Agreement may be signed in any number of counterparts, each of which will be deemed an original and, when taken together, constitute one agreement; the counterparts are binding on the parties individually as fully and completely as if the Parties had signed one single instrument, so that the rights and liabilities of the Parties will be unaffected by the failure of any of the undersigned to execute any or all of the counterparts; any signature page and any copy of a signed signature page may be detached from any counterpart and attached to any other counterpart of this Agreement and any signature page may be transmitted electronically (e.g., a PDF file).
55. By signing this Agreement, both Parties agree that each Party's obligations under this Agreement constitute sufficient consideration for the other Party's obligations.
56. By signing this Agreement, Respondent certifies that the information it has supplied concerning this matter was at the time of submission true, accurate, and complete for each such submission, response, and statement. Respondent acknowledges that there are significant penalties for submitting false or misleading information, including the possibility of fines and imprisonment for knowing submission of such information, under 18 U.S.C. § 1001.
57. Each Party shall bear its own attorney's fees, costs, and disbursements incurred in this proceeding.
58. Respondent agrees the time period from the Effective Date of this Agreement until all of the conditions specified in Paragraph 48 are completed (Tolling Period) shall not be included in computing the running of any statute of limitations potentially applicable to any action brought by EPA on any claims (Tolled Claims) set forth in section VI of this Agreement. Respondent shall not assert, plead, or raise in any fashion, whether by answer, motion or otherwise,

any defense of laches, estoppel, or waiver, or other similar equitable defense based on the running of any statute of limitations or the passage of time during the Tolling Period in any action brought on the Tolled Claims.

VIII. DISPUTE RESOLUTION

59. Unless otherwise expressly provided for in this Agreement, the dispute resolution procedures of this Section shall be the exclusive mechanism to resolve disputes arising under or with respect to this Agreement. Respondent's failure to seek resolution of a dispute under this Section shall preclude Respondent from raising any such issue as a defense to an action by EPA to enforce any obligation of Respondent arising under this Agreement.
60. Informal Dispute Resolution. Any dispute subject to Dispute Resolution under this Agreement shall first be the subject of informal negotiations. The dispute shall be considered to have arisen when Respondent sends EPA a written Notice of Dispute. Such Notice of Dispute shall state clearly the matter in dispute. The period of informal negotiations shall not exceed 60 days from the date the dispute arises, unless that period is extended by written agreement. If the Parties cannot resolve a dispute by informal negotiations, then the position advanced by EPA shall be considered binding unless, within 45 days after the conclusion of the informal negotiation period, including any agreed extension of the period for negotiation under this paragraph, Respondent invokes formal dispute resolution procedures as set forth below.
61. Formal Dispute Resolution. Respondent shall invoke formal dispute resolution procedures, within the time period provided in the preceding paragraph, by serving on EPA a written Statement of Position regarding the matter in dispute. The Statement of Position shall include, but need not be limited to, any factual data, analysis, or opinion supporting Respondent's position and any supporting documentation relied upon by Respondent.
62. EPA shall serve its Statement of Position within 45 days of receipt of Respondent's Statement of Position. EPA's Statement of Position shall include, but need not be limited to, any factual data, analysis, or opinion supporting that position and any supporting documentation relied upon by

EPA. EPA's Statement of Position shall be binding on Respondent, unless Respondent requests alternative dispute resolution in accordance with the following paragraph.

63. Respondent may request that EPA coordinate to designate a neutral party for dispute resolution. If the Parties cannot agree on a neutral party, Respondent may request the Regional Administrator or the Regional Judicial Officer ("RJO") appoint a neutral party to proceed with dispute resolution.
64. The invocation of dispute resolution procedures under this Section shall not, by itself, extend, postpone, or affect in any way any obligation of Respondent under this Agreement, unless and until final resolution of the dispute so provides.

IX. EFFECT OF CONSENT AGREEMENT AND FINAL ORDER

65. In accordance with 40 C.F.R. § 22.18(c), completion of the terms of this Agreement resolves only Respondent's liability for federal civil penalties for the violations specifically alleged above.
66. Consistent with section 162(f)(1) of the Internal Revenue Code, 26 U.S.C. § 162(f)(1), Respondent will not deduct penalties paid under this Agreement for federal tax purposes.
67. Pursuant to 26 U.S.C. § 6050X and 26 C.F.R. § 1.6050X-1, EPA is required to annually send to the Internal Revenue Service ("IRS") a completed IRS Form 1098-F ("Fines, Penalties, and Other Amounts") with respect to any court order or settlement agreement (including administrative settlements) that require a payor to pay an aggregate amount that EPA reasonably believes will be equal to, or in excess of, \$50,000 for the payor's violation of any law or the investigation or inquiry into the payor's potential violation of any law, including amounts paid for "restitution or remediation of property" or to come "into compliance with a law." EPA is further required to furnish a written statement, which provides the same information provided to the IRS, to each payor (i.e., a copy of IRS Form 1098-F). Respondent's failure to comply with providing IRS Form W-9 or Tax Identification Number ("TIN"), as described below, may subject Respondent to a penalty, per 26 U.S.C. § 6723, 26 U.S.C.

§ 6724(d)(3), and 26 C.F.R. § 301.6723-1. To provide EPA with sufficient information to enable it to fulfill these obligations, Respondent shall complete the following actions as applicable.

- a. Respondent shall complete an IRS Form W-9 (“Request for Taxpayer Identification Number and Certification”), which is available at <https://www.irs.gov/pub/irs-pdf/fw9.pdf>.
 - b. Respondent shall therein certify that its completed IRS Form W-9 includes Respondent’s correct TIN or that Respondent has applied and is waiting for issuance of a TIN.
 - c. Respondent shall email its completed Form W-9 to EPA’s Cincinnati Finance Division at Chalifoux.Jessica@epa.gov, on or before the date that Respondent’s penalty payment is due, pursuant to Paragraph 42 of this Consent Agreement. EPA recommends encrypting IRS Form W-9 email correspondence.
 - d. In the event that Respondent has certified in its completed IRS Form W-9 that it does not yet have a TIN but has applied for a TIN, Respondent shall provide EPA’s Cincinnati Finance Division with Respondent’s TIN, via email, within five (5) days of Respondent’s receipt of a TIN issued by the IRS.
68. This Agreement constitutes the entire agreement and understanding of the Parties and supersedes any prior agreements or understandings, whether written or oral, among the Parties with respect to the subject matter hereof.
69. Any violation of this Agreement, and subsequently issued final order approving this Agreement, may result in a civil judicial action for an injunction or civil penalties of up to \$57,617 per day per violation, or both, as provided in section 113(b)(2) of the Act, 42 U.S.C. § 7413(b)(2), as well as criminal sanctions as provided in section 113(c) of the Act, 42 U.S.C. § 7413(c). The EPA may use any information submitted under this Agreement in an administrative, civil judicial, or criminal action.
70. Nothing in this Agreement shall relieve Respondent of the duty to comply with all applicable provisions of the Act and other federal, state, or local laws,

nor shall it restrict EPA's authority to seek compliance with any applicable laws or regulations, nor shall it be construed to be a ruling on, or determination of, any issue related to any federal, state, or local permit.

71. Nothing herein shall be construed to limit the power of the EPA to undertake any action against Respondent or any person in response to conditions that may present an imminent and substantial endangerment to the public health, welfare, or the environment.
72. If and to the extent EPA finds, after signing this Agreement, that any information provided by Respondent was materially false or inaccurate at the time such information was provided to EPA, EPA reserves any and all of its legal and equitable rights.
73. The Parties consent to service of the Final Order approving this Consent Agreement by e-mail at the following valid e-mail addresses: Hill.Kai@epa.gov (for Complainant), and vmarquis@crowleyfleck.com (for Respondent).

X. TERMINATION

74. Upon payment of the Assessed Penalty in accordance with paragraph 42 and replacement of all shop-built flares at the Facilities identified in Paragraph 48.c., Respondent shall provide a Statement of Completion with the dates on which such shop-built flares were replaced.
75. The Statement of Completion shall certify that Respondent is in substantial and material compliance with all requirements of this Agreement. Notwithstanding the foregoing, EPA acknowledges that Respondent no longer owns the Facilities or controls the operation of the emissions control equipment at the Facilities.
76. Within 90 days of receipt of the Statement of Completion, EPA shall provide a Confirmation of Termination or notify Respondent of outstanding compliance items.

XI. 26 U.S.C. SECTION 162(f)(2)(A)(ii) IDENTIFICATION

77. For purposes of the identification requirement of section 162(f)(2)(A)(ii) of the Internal Revenue Code, 26 U.S.C. § 162(f)(2)(A)(ii), performance of paragraph paragraphs 42 and 43 is restitution or required to come into compliance with

law.

XII. EFFECTIVE DATE

78. The Parties agree to issuance of a final order approving this Agreement. Upon filing, the RJO will transmit a copy of the filed Agreement to the Respondent. This Agreement and subsequently issued Final Order shall become effective after execution of the Final Order by the RJO, on the date of filing with the Hearing Clerk.

The foregoing Agreement In the Matter of White Rock Oil & Gas, LLC, is hereby stipulated, agreed, and approved for entry.

**UNITED STATES ENVIRONMENTAL
PROTECTION AGENCY, REGION 8,**

Date: _____

By: _____

Scott Patefield, Branch Manager
Air and Toxics Enforcement Branch
Enforcement and Compliance Assurance Division

Complainant.

WHITE ROCK OIL & GAS, LLC.,

Date: 1/15/26

By: Rusty Ginnetti

Printed Name: RUSTY GINNETTI

Title: COO

Respondent.