

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION 7  
11201 RENNER BOULEVARD LENEXA, KANSAS 66219

EXPEDITED SPILL SETTLEMENT AGREEMENT  
Clean Water Act Section 311(b) Violation



In the matter of Greenwood Resources, LLC  
McGilvray Lease  
Docket No. CWA-07-2025-0199

On or around February 9, 2024, Greenwood Resources, LLC ("Respondent"), the owner or operator of an onshore facility located at T Road & 310<sup>th</sup> Street, Hamilton, Kansas 66853, discharged three barrels of oil, as defined in section 311(a)(1) of the Clean Water Act ("CWA" or "Act"), 33 U.S.C. § 1321(a)(1), or a hazardous substance(s), as defined in section 311(a)(14), into Willow Creek and adjoining shorelines, a water of the United States as defined in section 502(7) of the Act, and 40 C.F.R. § 110.1.

The undersigned Complainant ("EPA") finds that Respondent is a "person," as defined in section 311(a)(7) of the Act and that Respondent has violated section 311(b)(3) of the Act by discharging a harmful quantity of oil, as defined in 40 C.F.R. § 110.3, or hazardous substances into navigable waters of the United States or adjoining shorelines.

Respondent admits that the EPA has jurisdiction over this matter under section 311(b)(6) of the Act and 40 C.F.R. part 122. Respondent also admits the facts in the preceding paragraph.

The purpose of this Expedited Spill Settlement Agreement, "ESA" or "Agreement"), is to settle Respondent's civil penalty liability for the violation alleged above. Respondent consents to a penalty assessment of \$2,500.

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, has cleaned up the spill pursuant to federal requirements, and has taken corrective actions that will prevent future spills.

Respondent agrees that it shall, within thirty (30) calendar days of the date of issuance of the final order below (Final Order) approving this Agreement, make a payment of the amount specified in the previous paragraph \$2,500 by any of the methods provided on the website <https://www.epa.gov/financial/makepayment>. A printout of his website is attached and entitled "Payment Instructions." Respondent's payment shall indicate it is payable to "Environmental Protection Agency."

In the check or other instrument of payment, Respondent shall also reference "Oil Spill Liability Trust Fund-311" and the docket number that appears on this Expedited Settlement Agreement. Within 24 hours of payment, Respondent shall also e-mail proof of payment to each of the following: [moreno.sarah@epa.gov](mailto:moreno.sarah@epa.gov) and [R7HearingClerkFilings@epa.gov](mailto:R7HearingClerkFilings@epa.gov). The payment made pursuant to this Agreement is a penalty within the meaning of Section 162(f) of the Internal Revenue Code, 26 U.S.C. § 162(f), and, therefore, Respondent shall not claim it as a tax-deductible expenditure for purposes of federal, state, or local law.

This Agreement will commence and conclude this proceeding pursuant to 40 C.F.R. §§ 22.13(b) and 22.18(b)(2) and (3). This Agreement: will resolve only the federal civil penalty claims for the violation alleged above; does not affect EPA's right to pursue appropriate injunctive or other equitable relief or criminal sanctions; and does not affect Respondent's duty to comply with the Act or any other law.

Respondent waives any right to judicial review, any right to appeal or its right to request a hearing, to contest the penalty assessment and to contest any fact or the violation alleged above and its right to appeal the Expedited Settlement Agreement and Final Order. Respondent also agrees to bear its own costs and attorney's fees related to this Agreement.

By signing this Agreement, Respondent 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 lawfulness of the final order accompanying the Expedited Settlement Agreement.

Respondent agrees to accept electronic service of this Agreement by email at the following valid email address listed below.

Respondent understands that its mailing or e-mail address may be made public when the Agreement and Certificate of Service are filed and uploaded to a searchable database. Each party agrees to acceptance of either digital or original signatures on this Agreement.

This Expedited Settlement Agreement is binding on the parties signing below. Each party signing this Expedited Settlement Agreement certifies that he or she has the authority to sign for the party for whom he or she represents and to bind that party to its terms. Once the Final Order is signed by the Regional Judicial Officer, it will be filed with the Regional Hearing Clerk and become effective. A copy will be emailed to the U.S. EPA Cincinnati Finance Office. A copy of the Final Order will also be emailed to the Respondent. Respondent shall pay the penalty of \$2,500 within thirty (30) calendar days of the effective date.

After the Regional Judicial Officer files the Final Order, EPA will take no further civil penalty action against Respondent for the violations of the Act described in this Agreement. However, EPA does not waive any rights to take any enforcement action for any other past, present, or future violations by Respondent of the Act or of any other federal statute or regulations.

APPROVED BY EPA:

\_\_\_\_\_ Date: \_\_\_\_\_  
David Cozad  
Director  
Enforcement and Compliance Assurance Division  
Complainant

**FINAL ORDER**

The preceding Consent Agreement is hereby approved. IT IS SO ORDERED:

\_\_\_\_\_ Date: \_\_\_\_\_  
Regional Judicial Officer

APPROVED BY RESPONDENT:

Name (print): KENNETH C. GATES  
Title (print): Manager Member  
Email: Kenny.gates.123463@gmail.com  
Signature: Kenneth C. Gates  
Date: Oct 14, 2025