

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION III

2015 FEB -9 PM 4:36

REGIONAL HEARING CLERK  
EPA REGION III

IN THE MATTER OF:	)	<b>CLEAN WATER ACT SECTION 301</b>
	)	<b>CLASS I</b>
Antero Resources Corporation	)	<b>CONSENT AGREEMENT</b>
1625 17 <sup>th</sup> Street	)	<b>AND FINAL ORDER</b>
Denver, CO 80202	)	<b>UNDER 40 CFR §§22.13(b) AND 22.18(b)(2)</b>
	)	
Nomac Drilling, LLC, Successor by Merger	)	
to Bronco Drilling Company, Inc.	)	
	)	
777 NW 63rd Street	)	
Oklahoma City, OK 73116,	)	
	)	
Respondents	)	Docket No. CWA-03-2015-0057
	)	
O’Rice Well Pad	)	
Southeast corner of the intersection	)	
Of County Routes 5/7 and 5/50	)	
Harrison County, West Virginia,	)	
	)	
Facility	)	
	)	

**LEGAL AUTHORITY**

1. This Consent Agreement is proposed and entered into under the authority vested in the Administrator of the U.S. Environmental Protection Agency (“EPA”) by Section 311(b)(6)(B)(i) of the Clean Water Act (“CWA” or “Act”), as amended, 33 U.S.C. §1321(b)(6)(B)(i), and under the authority provided by the *Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties and the Revocation/Termination or Suspension of Permits*, at 40 C.F.R. §§ 22.13(b) and 22.18(b)(2). The Administrator has delegated these authorities to the Regional Administrator of the EPA, Region III, who has in turn delegated them to the Director for the Region’s Hazardous Site Cleanup Division (“Complainant”). Pursuant to Section 311(b)(6)(B)(i) of the Act, 33 U.S.C. §1321(b)(6)(B)(i) as amended by the Debt Collection Improvement Act, and the

subsequent Civil Monetary Penalty Inflation Adjustment Rule, 40 C.F.R. Part 19, any person violating CWA Section 311(b)(3), 33 U.S.C. §1321(b)(3), may be assessed an administrative penalty in an amount not to exceed \$16,000 per violation, up to a total penalty of \$37,500 for violations occurring between January 12, 2009 and December 6, 2013.

## **CONSENT AGREEMENT**

### **Factual Allegations and Conclusions of Law**

2. For the purpose of this proceeding, and with the exception of Paragraph 11, below, Respondents neither admit nor deny the following factual allegations and conclusions of law, but expressly waive their rights to contest said allegations in proceedings before the EPA.

3. Respondent, Antero Resources Corporation (“Antero Resources”) is a corporation duly organized and existing under the laws of Delaware with a place of business located at 1625 17<sup>th</sup> Street, Denver, CO 80202. Respondent, Nomac Drilling, LLC, successor by merger to Bronco Drilling Company, Inc. (“Bronco Drilling”), is an Oklahoma Corporation with a principal place of business at 777 NW 63rd Street, Oklahoma City, OK 73116. Respondents are persons within the meaning of Section 311(a)(7) of the Act, 33 U.S.C. §1321(a)(7), and 40 C.F.R. §112.2.

4. Respondent, Antero Resources was the operator and Bronco Drilling was Antero Resources’ Drilling Contractor during the drilling operations at the O’Rice Well Pad, located at the southeastern corner of the intersection of County Routes 5/7 and 5/50, Harrison County, West Virginia (“the Facility”). The Facility is an onshore facility within the meaning of Section 311(a)(10) of the Act, 33 U.S.C. §1321(a)(10), and 40 C.F.R. §112.2.

5. Section 311 (b)(3) of the Act prohibits the discharge of oil or hazardous substances 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.

6. 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 and adjoining shorelines 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 violate applicable water quality standards or cause a film or a 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.

7. According to information submitted to EPA by Antero, on January 25, 2011, during drilling operations, Bronco Drilling, a subcontractor of Antero Resources, experienced a discharge of approximately 1,045 gallons of diesel fuel when a fuel filter broke off a fuel filter assembly mounted on the manifold going to the generator (the “discharge”).

8. According to information submitted to EPA by Antero, as a result of the discharge approximately 600 gallons of diesel fuel entered the waters of Indian Run, a tributary to Ten Mile Creek, which is a tributary to the West Fork River, a navigable waterway 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.

9. Respondents’ discharge on or about January 25, 2011 from the Facility caused a sheen upon or discoloration of the surface of Indian Run, 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 Act, 33 U.S.C. §1321(b)(3) and (b)(4).

10. Respondents’ discharge from its Facility into or upon Indian Run and the adjoining shoreline, in a quantity that has been determined may be harmful under 40 C.F.R. §110.3, on or about January 25, 2011, violated Section 311(b)(3) of the Act, 33 U.S.C. §1321(b)(3).

#### **Waiver of Rights**

For the purpose of this proceeding, Respondents:

11. Admit the jurisdictional allegations in this Consent Agreement and agree not to contest EPA's jurisdiction with respect to the execution or enforcement of this Agreement.

12. Waive the right to a hearing under Section 311(b)(6)(B)(i) of the Act and to appeal any Final Order in this matter under Section 311(b)(6)(G)(i) of the Act, 33 U.S.C. §1321(b)(6)(G)(i), and consents to the issuance of a Final Order without further adjudication.

**Penalty**

13. The Complainant proposes, and Respondents consent to, the assessment of a civil penalty of \$16,000.

**Payment Terms**

Based on the foregoing, the parties, in their own capacity or by their attorneys or authorized representatives, hereby agree that:

14. Within thirty days of the effective date of the Final Order, Respondents shall pay the amount of \$16,000 by means of a cashier's or certified check, or by electronic funds transfer (EFT). If paying by check, Respondents shall submit a cashier's or certified check, payable to "Environmental Protection Agency", and bearing the notation "OSLTF – 311". If Respondents send payment by the U.S. Postal Service, the payment shall be addressed to:

U.S. Environmental Protection Agency  
Fines and Penalties  
Cincinnati Finance Center  
P.O. Box 979077  
St. Louis, MO 63197-9000  
Contact: Heather Russell, (513) 487-2044

If Respondents send payment by a private delivery service, the payment shall be addressed to:

U.S. Bank  
1005 Convention Plaza  
Mail Station SL-MO-C2GL  
St. Louis, MO 63101  
Attn: Heather Russell, (513) 487-2011

If paying by EFT, Respondents shall transfer the payment to:

Federal Reserve Bank of New York  
ABA 021030004  
Account 68010727  
Swift Address FRNYUS33  
33 Liberty Street  
New York, NY 10045

If paying by EFT, field tag 4200 of the Fedwire message shall read: (D 68010727  
Environmental Protection Agency).

If paying through the Department of Treasury's Online Payment system, please access [www.pay.gov](http://www.pay.gov), enter sfo 1.1 in the search field. Open the form and complete the required fields to make the payment. Note that the type of payment is "civil penalty", and the docket number "CWA-03-2015-0057" should be included in the "Court Order # or Bill #" field, and 3 should be included as the Region number.

15. If paying by check, Respondents shall note on the penalty payment check the title and docket number of this case. Respondents shall submit a copy of the check (or, in the case of an EFT transfer, a copy of the EFT confirmation) to the following person:

Lydia Guy  
Regional Hearing Clerk (3RC00)  
U.S. Environmental Protection Agency  
Region III  
1650 Arch Street  
Philadelphia, PA 19103-2029

Respondents must also provide a copy of its check or EFT confirmation to the attorney representing EPA in this matter at the following address:

Pamela J. Lazos  
Senior Assistant Regional Counsel (3RC20)  
U.S. Environmental Protection Agency – Region III  
1650 Arch Street  
Philadelphia, PA 19103-2029  
(215) 814-2658

16. Failure by Respondents to pay the penalty assessed by the Final Order in full by its due date may subject Respondents to a civil action to collect the assessed penalty, plus interest, attorney's fees, costs and an additional quarterly nonpayment penalty pursuant to Section 311(b)(6)(H) of the Act, 33 U.S.C. §1321(b)(6)(H). In any such collection action, the validity, amount and appropriateness of the penalty agreed to herein shall not be subject to review.

**General Provisions**

17. The Final Order shall be binding upon Respondents and Respondents' officers, directors, agents, servants, employees, and successors or assigns.

18. The Final Order does not constitute a waiver, suspension or modification of the requirements of Section 311 of the Act, 33 U.S.C. §1321, or any regulations promulgated thereunder, and does not affect the right of the Administrator or the United States to pursue any applicable injunctive or other equitable relief or criminal sanctions for any violation of law. Payment of the penalty pursuant to this Consent Agreement resolves on Respondent's liability for federal civil penalties for the violations of the Act alleged herein.

19. The undersigned officer of Respondents represent and warrant that he or she has the authority to bind Respondents and their successors or assigns to this Consent Agreement.

20. Each party to this action shall bear its own costs and attorney's fees.

ANTERO RESOURCES CORPORATION

Date: 10/1/14

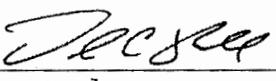
Alvin A Schopp  
[Signature]

ALVIN A SCHOPP  
Name (print or type)

Chief Administrative Officer.  
Title

Nomac Drilling, LLC, Successor by Merger to  
BRONCO DRILLING COMPANY, INC.

Date: 11/18/14

  
[Signature]

David Trethewell  
Name (print or type)

SVP : General Counsel  
Title

Date: FEB 4 2015

  
Cecil Rodrigues, Director  
Hazardous Site Cleanup Division  
Region III

**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION III**

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	)	<b>CLASS I</b>
Antero Resources Corporation	)	<b>CONSENT AGREEMENT</b>
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O’Rice Well Pad	)	
Southeast corner of the intersection	)	
Of County Routes 5/7 and 5/50	)	
Harrison County, West Virginia,	)	
	)	
Facility	)	

**FINAL ORDER**

1. Pursuant to Section 311(b)(6) of the Clean Water Act, as amended, 33 U.S.C. §1321(b)(6), as amended by the Debt Collection Improvement Act, and the subsequent Civil Monetary Penalty Inflation Adjustment Rule, 40 C.F.R. Part 19, and in accordance with the “Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties, Issuance of Compliance or Corrective Action Orders, and the Revocation, Termination or Suspension of Permits,” codified at 40 C.F.R. Part 22, the foregoing Consent Agreement is hereby approved and incorporated by reference into this Final Order. Respondents are ordered to pay the \$16,000 penalty and otherwise comply with the terms of the Consent Agreement.

**Effective Date**

2. This Final Order shall become effective on the date it is filed with the Regional Hearing Clerk.

Date: 02-09-2015



\_\_\_\_\_  
Heather Gray  
Regional Judicial Officer

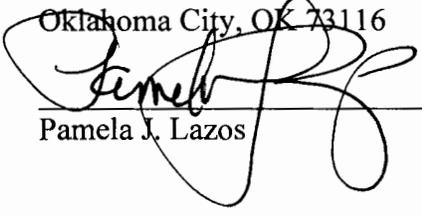
**CERTIFICATE OF SERVICE**

The undersigned hereby certifies that I filed the original Consent Agreement and Final Order to with the Regional Hearing Clerk, with copies sent to the following:

Al Schopp  
Antero Resouces, Inc.  
1625 17<sup>th</sup> Street  
Denver, CO 80202

Hank Lawrence  
Steptoe and Johnson, PLLC  
400 White Oaks Boulevard  
Bridgeport, WV 26330

David Treadwell, General Counsel  
Nomac Drilling, LLC, Successor by Merger to  
Bronco Drilling Company, Inc.  
777 NW 63rd Street  
Oklahoma City, OK 73116

  
\_\_\_\_\_  
Pamela J. Lazos

Date: 2/9/15