

UNITED STATES
ENVIRONMENTAL PROTECTION AGENCY
REGION 6

FILED
2009 JUL -7 AM 10:21
REGIONAL HEARING CLERK
EPA REGION VI

In the Matter of

§ Docket No. CWA-06-2009-1761

§
§

Bobby Rowe Energy, Inc.,
an Oklahoma Corporation

§ Proceeding to Assess a Class I
§ Civil Penalty under Section 309(g)
§ of the Clean Water Act

Respondent

§

§ ADMINISTRATIVE COMPLAINT

Facility No. OKU000616

§

I. Statutory Authority

This Complaint is issued under the authority vested in the Administrator of the United States Environmental Protection Agency (EPA) by Section 309(g) of the Clean Water Act ("the Act"), 33 U.S.C. § 1319(g). The Administrator of EPA has delegated the authority to issue this Complaint to the Regional Administrator of EPA Region 6, who has further delegated this authority to the Director of the Compliance Assurance and Enforcement Division of EPA Region 6 ("Complainant"). This Class I Administrative Complaint is issued in accordance with, and this action will be conducted under, the "Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties and the Revocation/Termination or Suspension of Permits," including rules related to administrative proceedings not governed by Section 554 of the Administrative Procedures Act, 40 C.F.R. §§ 22.50 - 22.52.

Based on the following Findings, Complainant finds that the Respondent has violated the Act and the regulations promulgated under the Act and should be ordered to pay a civil penalty.

II. Findings of Fact and Conclusions of Law

1. Bobby Rowe Energy, Inc. (herein "Respondent") is a corporation which was incorporated under the laws of the State of Oklahoma, and as such, Respondent is a "person," as that term is defined at Section 502(5) of the Clean Water Act, 33 U.S.C. § 1362(5), and 40 C.F.R. § 122.2.

2. At all times relevant, the Respondent owned or operated the oil and gas production facilities listed below (herein "the facilities") and was therefore an "owner or operator" within the meaning of 40 C.F.R. § 122.2.

- Facility #1 - Southeast Quarter of Section 11, Township 15 North, Range 11 East, Okmulgee County, Oklahoma;

- Facility #2 - Northwest Quarter of Section 11, Township 14 North, Range 11 East, Okmulgee County, Oklahoma;

- Facility #3 - Southeast Quarter of Section 27, Township 14 North, Range 10 East, Creek County, Oklahoma.

3. At all relevant times, the facilities were "point sources" of "discharges" of "pollutants," specifically oil field brine, to the receiving waters of two tributaries of Salt Creek and a tributary of Hopper Creek, which are "waters of the United States" within the meaning of Section 502 of the Act, 33 U.S.C. § 1362, and 40 C.F.R. § 122.2.

4. Because the Respondent owned or operated facilities which acted as point sources of discharges of pollutants to waters of the United States, the Respondent and the facility are subject to the Act and the National Pollutant Discharge Elimination System (NPDES) program.

5. Under Section 301 of the Act, 33 U.S.C. § 1311, it is unlawful for any person to discharge any pollutant from a point source to waters of the United States, except with the

authorization of, and in compliance with, an NPDES permit issued pursuant to Section 402 of the Act, 33 U.S.C. § 1342. According to the NPDES program, the discharge of oil field brine to "waters of the United States" is a non-permitted discharge.

6. On September 4, 2008, Facility #1 was inspected by an EPA field inspector.

The inspector observed that oil field brine had been discharged from Facility #1, located at Latitude 35° 47.41' North and Longitude 96° 6.24' West, to a tributary of Salt Creek, located at Latitude 35° 47.29' North and Longitude 96° 6.24' West. The inspector observed that the facility's secondary containment had overflowed brine and a flow path was observed between the facility and the discharge point of entry. The inspector determined pools of brine located on this flow path measured over 80,000 parts-per-million (ppm) Total Soluble Salts (TSS). The inspector also determined that the water located at the discharge point of entry into the tributary of Salt Creek was contaminated from brine discharges which measured 28,000 ppm TSS.

7. On September 4, 2008, Facility #2 was inspected by an EPA field inspector.

The inspector observed that oil field brine had been discharged from Facility #2, located at Latitude 35° 42.40' North and Longitude 96° 6.87' West, to a tributary of Salt Creek, located at Latitude 35° 42.51' North and Longitude 96° 6.87' West. The inspector observed a brine flow path between the facility and the discharge point of entry. The inspector determined fluids located on this flow path measured over 80,000 ppm TSS. The inspector also determined the water located at the discharge point of entry into the tributary of Salt Creek was contaminated from brine discharges which measured 45,000 to 79,000 ppm TSS.

8. On September 19, 2008, Facility #3 was inspected by an EPA field inspector.

The inspector observed that oil field brine had been discharged from Facility #3, located at Latitude 35° 39.17' North and Longitude 96° 14.20' West, to an unnamed spring-fed creek

which flows into a wetlands area and then flows into an unnamed tributary of Hopper Creek. The spring-fed creek is located at Latitude 35° 39.01' North and Longitude 96° 14.14' West. The point of entry where the wetlands area flows into the tributary of Hopper Creek is located at Latitude 35° 38.71' North and Longitude 96° 14.10' West. Fluids located in the secondary containment at the facility measured 65,000 ppm TSS. Fluids located at the point of entry into the unnamed spring-fed creek measured 5,500 ppm TSS. Fluids located at the point of entry into the tributary of Hopper Creek measured 2,000 ppm TSS.

9. Each day of unauthorized discharge was a violation of Section 301 of the Act, 33 U.S.C. § 1311.

10. Under Section 309(g)(2)(A) of the Act, 33 U.S.C. § 1319(g)(2)(A), the Respondent is liable for a civil penalty in an amount not to exceed \$11,000 per day for each day during which a violation occurs or continues, up to a maximum of \$32,500.

11. EPA has notified the Oklahoma Corporation Commission of the issuance of this Complaint and has afforded the State an opportunity to consult with EPA regarding the assessment of an administrative penalty against the Respondent as required by Section 309(g)(1) of the Act, 33 U.S.C. § 1319(g)(1).

12. EPA has notified the public of the filing of this Complaint and has afforded the public thirty (30) days in which to comment on the Complaint and on the proposed penalty as required by Section 309(g)(4)(A) of the Act, 33 U.S.C. § 1319(g)(4)(A). At the expiration of the notice period, EPA will consider any comments filed by the public.

III. Proposed Penalty

13. Based on the foregoing Findings, and pursuant to the authority of Sections 309(g)(1) and (g)(2)(A) of the Act, 33 U.S.C. §§ 1319(g)(1) and (g)(2)(A), EPA Region 6 hereby proposes

to assess against the Respondent a civil penalty of twenty thousand two hundred dollars (\$20,200).

14. The proposed penalty amount was determined based on the statutory factors specified in Section 309(g)(3) of the Act, 33 U.S.C. § 1319(g)(3), which includes such factors as the nature, circumstances, extent and gravity of the violation(s), economic benefits, if any, prior history of such violations, if any, degree of culpability, and such matters as justice may require.

15. Complainant has specified that the administrative procedures specified in 40 C.F.R. Part 22, Subpart I, shall apply to this matter, and the administrative proceedings shall not be governed by Section 554 of the Administrative Practice Act.

IV. Failure to File an Answer

16. If the Respondent wishes to deny or explain any material allegation listed in the above Findings or to contest the amount of the penalty proposed, the Respondent must file an Answer to this Complaint within thirty (30) days after service of this Complaint whether or not the Respondent requests a hearing as discussed below.

17. The requirements for such an Answer are set forth at 40 C.F.R. § 22.15 (copy enclosed). Failure to file an Answer to this Complaint within thirty (30) days of service of the Complaint shall constitute an admission of all facts alleged in the Complaint and a waiver of the right to hearing. Failure to deny or contest any individual material allegation contained in the Complaint will constitute an admission as to that finding or conclusion under 40 C.F.R. § 22.15(d).

18. If the Respondent does not file an Answer to this complaint within thirty (30) days after service, a Default Order may be issued against the Respondent pursuant to 40 C.F.R.

§ 22.17. A Default Order, if issued, would constitute a finding of liability, and could make the full amount of the penalty proposed in this Complaint due and payable by the Respondent without further proceedings sixty (60) days after a Final Default Order is issued.

19. The Respondent must send its Answer to this Complaint, including any request for Hearing, and all other pleadings to:

Regional Hearing Clerk (6RC-D)
U.S. EPA, Region 6
1445 Ross Avenue, Suite 1200
Dallas, TX 75202-2733

20. The Respondent shall also send a copy of its Answer to this Complaint to the following EPA attorney assigned to this case:

Ms. Jeannine Hale (6RC-EW)
U.S. EPA, Region 6
1445 Ross Avenue, Suite 1200
Dallas, TX 75202-2733

21. The Answer must be signed by the Respondent, the Respondent's counsel, or other representative on behalf of the Respondent and must contain all information required by 40 C.F.R. §§ 22.05 and 22.15, including the name, address, and telephone number of the Respondent and the Respondent's counsel. All other pleadings must be similarly signed and filed.

V. Notice of Opportunity to Request a Hearing

22. The Respondent may request a hearing to contest any material allegation contained in this Complaint, or to contest the appropriateness of the amount of the proposed penalty, pursuant to Section 309(g) of the Act, 33 U.S.C. § 1319(g). The procedures for hearings are set out at 40 C.F.R. Part 22, including 40 C.F.R. §§ 22.50 through 22.52.

23. Any request for hearing should be included in the Respondent's Answer to this Complaint; however, as discussed above, the Respondent must file an Answer meeting the requirements of 40 C.F.R. § 22.15 in order to preserve the right to a hearing or to pursue other relief.

24. Should a hearing be requested, members of the public who commented on the issuance of the Complaint during the public comment period will have a right to be heard and to present evidence at such hearing under Section 309(g)(4)(B) of the Act, 33 U.S.C. § 1319(g)(4)(B).

VI. Settlement

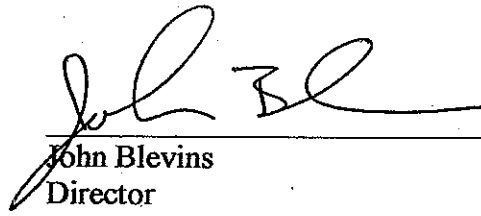
25. EPA encourages all parties against whom civil penalties are proposed to pursue the possibility of settlement through informal meetings with EPA. Regardless of whether a formal hearing is requested, the Respondent may confer informally with EPA about the alleged violations or the amount of the proposed penalty. The Respondent may wish to appear at any informal conference or formal hearing personally, by counsel or other representative, or both. To request an informal conference on the matters described in this Complaint, please contact Mr. Matt Rudolph, of my staff, at (214) 665-6434.

26. If this action is settled without a formal hearing and issuance of an opinion by the Presiding Officer pursuant to 40 C.F.R. § 22.27, this action will be concluded by issuance of a Consent Agreement and Final Order (CAFO) pursuant to 40 C.F.R. § 22.18(b). The issuance of a CAFO would waive the Respondent's right to a hearing on any matter stipulated therein or alleged in the Complaint. Any person who commented on this Complaint would be notified and given an additional thirty (30) days to petition EPA to set aside any such CAFO and to hold a hearing on the issues raised in the Complaint. Such a petition would be granted and a hearing

held only if the evidence presented by the petitioner's comment was material and was not considered by EPA in the issuance of the CAFO.

27. Neither assessment nor payment of a penalty in resolution of this action will affect the Respondent's continuing obligation to comply with all requirements of the Act, the applicable regulations and permits, and any separate Compliance Order issued under Section 309(a) of the Act, 33 U.S.C. § 1319(a), including one relating to the violations alleged herein.

7/06/09
Date



John Blevins
Director
Compliance Assurance and
Enforcement Division

CERTIFICATE OF SERVICE

I certify that the foregoing Class I Administrative Complaint was sent to the following persons, in the manner specified, on the date below:

Original hand-delivered: Regional Hearing Clerk (6RC-D)
U.S. EPA, Region 6
1445 Ross Avenue, Suite 1200
Dallas, TX 75202-2733

Copy by certified mail,
return receipt requested: Mr. Stephen Rowe, Owner
Bobby Rowe Energy, Inc.
P.O. Box 240
Beggs, OK 74421

Copy by mail: Mr. Terry Grooms, District Manager
Oklahoma Corporation Commission, District 1
115 West 6th Street, Box 779
Bristow, OK 74010

Hand-delivered: Ms. Jeannine Hale (6RC-EW)
U.S. EPA, Region 6
1445 Ross Avenue, Suite 1200
Dallas, TX 75202-2733

Dated: JUL 07 2009



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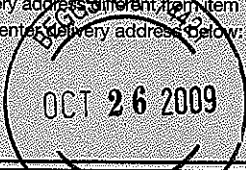
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REGIONAL HEARING CLERK
EPA REGION VI

Motion For Default / CWA - 06 - 2009 - 1261

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none">■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.■ Print your name and address on the reverse so that we can return the card to you.■ Attach this card to the back of the mailpiece, or on the front if space permits.	A. Signature <input type="checkbox"/> Agent X <input type="checkbox"/> Addressee	
1. Article Addressed to: <i>Stephen Rowe Bobby Rowe Energy, Inc. PO Box 240 Bess, OK 74421</i>	B. Received by (Printed Name)	C. Date of Delivery
2. Article Number (Transfer from service)	D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No	
	3. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.	
	4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes	
	7007 3020 0000 1522 3132	

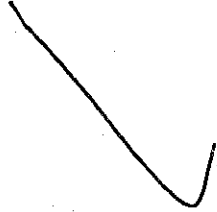
PS Form 3811, February 2004 Domestic Return Receipt 102595-02-M-1540

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY	
<ul style="list-style-type: none"> ■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. ■ Print your name and address on the reverse so that we can return the card to you. ■ Attach this card to the back of the mailpiece, or on the front if space permits. 	A. Signature <input checked="" type="checkbox"/> Agent <input checked="" type="checkbox"/> Addressee <i>x Barbara Mueller</i>	
1. Article Addressed to: <i>Mr. Stephen Rowe, Owner Bobby Rowe Energy, Inc P.O. Box 240 Beegs, OK 74421</i>	B. Received by (Printed Name) <i>Barbara Mueller</i>	C. Date of Delivery
2. Article Number (Transfer from service label)	D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No <div style="text-align: center;">  </div>	
	3. Service Type <input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.	
	4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes	
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CWA-06-2009-1761 / Complaint / OK 4000616

SENDER: COMPLETE THIS SECTION

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- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

Mr. Stephen Rowe, Owner
Bobby Rowe Energy, Inc.
P.O. Box 240
Beggs, OK 74421

2. Article Number:
(Transfer from service label)

COMPLETE THIS SECTION ON DELIVERY

A. Signature
X Barbara Moeller Agent Addressee

B. Received by (Printed Name) *Barbara Moeller* C. Date of Delivery *7-10-09*

D. Is delivery address different from item 1? Yes
If YES, enter delivery address below: No

3. Service Type
 Certified Mail Express Mail
 Registered Return Receipt for Merchandise
 Insured Mail C.O.D.

4. Restricted Delivery? (Extra Fee) Yes

7007 2560 0002 7737 3619