

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY REGION 8 2011 JUN 27 PM 12: 42

REGION 8 1595 WYNKOOP STREET DENVER, CO 80202-1129 Phone 800-227-8917

http://www.epa.gov/region08

DOCKET NO.: SDWA-08-2010-0082

FILED EPA REGION VEH BEARING CLERK

IN THE MATTER OF:)
FX DRILLING COMPANY) FINAL ORDER
RESPONDENT)

Pursuant to 40 C.F.R. §22.18, of EPA's Consolidated Rules of Practice, the Consent Agreement resolving this matter is hereby approved and incorporated by reference into this Final Order. The Respondent is hereby **ORDERED** to comply with all of the terms of the Consent Agreement, effective immediately upon receipt by Respondent of this Consent Agreement and Final Order.

SO ORDERED THIS 27th DAY OF June, 2011.

Elyana R. Sutin Regional Judicial Officer

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY REGION 8

2011 JUN 27 PM 12: 42

Docket No. SDWA-08-2010-0082

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In the Matter of:)	
FX Drilling Company)	CONSENT AGREEMENT
Respondent)	

Complainant, United States Environmental Protection Agency, Region 8 (EPA), and Respondent, FX Drilling Company (Respondent), by their undersigned representatives, hereby consent and agree as follows.

BACKGROUND

- 1. EPA issued to Respondent a Proposed Compliance Order, Penalty Complaint and Notice of Opportunity for Hearing (Complaint) filed on September 28, 2010, alleging certain violations of Part C of the Safe Drinking Water Act (SDWA), 42 U.S.C § 300h et seq., relating to the underground injection control (UIC) program.
- Respondent admits that EPA has the jurisdictional authority to issue the Complaint and settle this case pursuant to this Consent Agreement, but does not confirm or deny the remaining allegations, including the findings and alleged violations.
- Respondent waives its right to a hearing before any tribunal, to contest any issue of law or fact set forth in the Complaint, or this Consent Agreement.
- 4. This Consent Agreement, upon incorporation into a final order, applies to and is binding upon EPA and upon Respondent and Respondent's heirs, successors and assigns. Any change in the ownership or corporate status of Respondent, including, but not limited to,

any transfer of assets or real or personal property, shall not alter Respondent's responsibilities under this agreement. This Consent Agreement contains all terms of the settlement agreed to by the parties.

- Respondent is now in compliance with the underlying issues that formed the basis of the Complaint.
- 6. Respondent consents and agrees to pay a civil penalty in the amount of eight thousand dollars (\$8,000.00), in the manner described below in this paragraph.
 - a. Payment is due within 30 calendar days from the date written on the Final Order, issued by the Regional Judicial Officer, that adopts this Consent Agreement. If the due date falls on a weekend or legal federal holiday, then the due date becomes the next business day. The date the payment is made is considered to be the date processed. Payments received by 11:00 A.M. EST are processed on the same business day, those received after 11:00 A.M. are processed on the next business day.
 - b. The payment shall be made by remitting a cashier's or certified check, including the name and docket number of this case, for the amount, payable to "Treasurer, United States of America," to:

REGULAR MAIL:

US Environmental Protection Agency Fines and Penalties Cincinnati Finance Center PO Box 979077 St. Louis, MO 63197-9000

WIRE TRANSFERS:

Wire transfers should be directed to the Federal Reserve Bank of New York.

Federal Reserve Bank of New York

ABA = 021030004

Account = 68010727

SWIFT address = FRNYUS33

33 Liberty Street

New York NY 10045

Field Tag 4200 of the Fedwire message should read "D 68010727

Environmental Protection Agency"

OVERNIGHT MAIL:

U.S. Bank 1005 Convention Plaza Mail Station SL-MO-C2GL St. Louis, MO 63101

Contact: Natalie Pearson 314-418-4087

ACH (also known as REX or remittance express)

Automated Clearinghouse (ACH) for receiving US currency PNC Bank 808 17th Street, NW Washington, DC 20074 Contact – Jesse White 301-887-6548 ABA = 051036706 Transaction Code 22 - checking Environmental Protection Agency Account 310006 CTX Format

ON LINE PAYMENT:

There is now an On Line Payment Option, available through the Dept. of Treasury. This payment option can be accessed from the information below:

WWW.PAY.GOV Enter sfo 1.1 in the search field

Open form and complete required fields.

c. In the event payment is not received by the specified due date, interest accrues from the date of the final order, not the due date, at a rate established by the Secretary of the Treasury pursuant to 31 U.S.C. 3717, and will continue to accrue

- until payment in full is received. (i.e., on the 1st late day, 30 days of interest accrues).
- d. In addition, a handling charge of fifteen dollars (\$15) shall be assessed on the 31st day from the date of the Final Order, and each subsequent thirty day period that the debt, or any portion thereof, remains unpaid. In addition, a six percent (6%) per annum penalty shall be assessed on any unpaid principal amount if payment is not received within 90 days of the due date (i.e., the 121st day from the date the final order is signed). Payments are first applied to handling charges, 6% penalty interest, late interest, and any balance is then applied to the outstanding principal amount.
- e. Respondent agrees that the penalty shall never be claimed as a federal or other tax deduction or credit.
- Nothing in this Consent Agreement shall relieve Respondent of the duty to comply with the SDWA and its implementing regulations.
- 8. Failure by Respondent to comply with any of the terms of this Consent Agreement shall constitute a breach of the Consent Agreement and may result in referral of the matter to the Department of Justice for enforcement of this agreement and for such other relief as may be appropriate.
- 9. Nothing in this Consent Agreement shall be construed as a waiver by the EPA or any other federal entity of its authority to seek costs or any appropriate penalty associated with any collection action instituted as a result of Respondent's failure to perform pursuant to the terms of this Consent Agreement.
- 10. The undersigned representative of Respondent certifies that he or she is fully authorized to enter into the terms and conditions of this Consent Agreement and to bind Respondent to the terms and conditions of this Consent Agreement.
- 11. The parties agree to submit this Consent Agreement to the Regional Judicial Officer with a request that it be incorporated into a final order.
- 12. Each party shall bear its own costs and attorney fees in connection with this matter.

13. This Consent Agreement, upon incorporation into a final order by the Regional Judicial Officer and full satisfaction by the parties, shall be a complete and full civil settlement of the specific violations alleged in the Complaint.

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY, REGION 8,

Complainant.

Date: 6/27/20/1

Andrew M. Gaydosh

Assistant Regional Administrator
Office of Enforcement, Compliance
and Environmental Justice

FX DRILLING COMPANY, INC., Respondent.

Date: 5/20/11

By:

Name, Title: Laura A. Bacon, Administrative Manager

CERTIFICATE OF SERVICE

The undersigned certifies that the original of the attached CONSENT AGREEMENT/FINAL ORDER, in the matter of FX DRILLING COMPANY, INC.; DOCKET NO.: SDWA-08-2010-0082 was filed with the Regional Hearing Clerk June 27, 2011.

Further, the undersigned certifies that a true and correct copy of the document was delivered to Brenda Morris, Enforcement Attorney, U. S. EPA – Region 8, 1595 Wynkoop Street, Denver, CO 80202-1129. True and correct copies of the aforementioned document was placed in the United States mail certified/return receipt requested on June 27, 2011, to:

J. R. Bacon Vice President of Operations FX Drilling Co., Inc. P. O. Box 449 Shelby, MT 59474

E-mailed to:

Elizabeth Whitsel
U. S. Environmental Protection Agency
Cincinnati Finance Center
26 W. Martin Luther King Drive (MS-0002)
Cincinnati, Ohio 45268

June 27, 2011

Tina Artemis

Paralegal/Regional Hearing Clerk

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